

The Chair recognizes the gentleman from Wisconsin (Mr. GREEN).

GENERAL LEAVE

Mr. GREEN of Wisconsin. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 1850.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. GREEN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

The purpose of H.R. 1850, the Senior Housing Commission Extension Act, is to extend for 1 year the Commission on Affordable Housing and Health Care Facility Needs of Senior Citizens. In 1999, Congress created this Commission to develop a comprehensive strategy for dealing with the growing needs associated with senior housing.

This extension is necessary because the appointment of commission members was delayed for more than 1 year after the passage on October 20, 1999, with commission member appointments not occurring until January 2, 2001. Given that more than 1 year passed before commission co-chairpersons, members and a staff could be appointed, the Commission requested an extension of the report deadline from December 31, 2001, to March 30, 2003.

This legislation merely makes technical corrections to allow the Commission to do the job that Congress originally intended. H.R. 1850 extends the dates authorizing the Commission's reporting date, termination date and authority to use agency employees on a non-reimbursable basis. The Congressional Budget Office estimates that this bill will require no additional spending.

This country is facing a serious housing crisis for low and moderate income families and individuals. In no other segment of our population is this crisis more evident than in our senior's population. According to the Department of Commerce, Bureau of the Census, in July 1999 there were more than 35.5 million Americans over 65 years of age, and the Bureau projects that by the year 2075, more than 55.7 million, or one in eight, Americans will be over 65 years in age.

HUD statistics indicate that only one-third of the low income senior citizens in need of affordable housing actually receives assistance. Appropriate senior housing is only part of the problem. Along with the decent housing, seniors need supportive services. Over the years, non-profits and faith-based organizations have worked with HUD to develop creative ways to meet the needs of this vulnerable group, but as our population continues to age, we must seek new ways to address this growing problem.

The commission is charged with developing a comprehensive strategy to

address the issues that are inherent to America's aging population by reviewing existing programs and exploring new ideas and partnerships. H.R. 1850 will provide the Commission with the time that Congress originally intended that it have to complete this task.

I urge my colleagues' support and I urge adoption of this measure.

Mr. Speaker, I reserve the balance of my time.

Ms. CARSON of Indiana. Mr. Speaker, I yield myself such time as I may consume. I think the gentleman from Wisconsin (Mr. GREEN) has done a yeoman's job in detailing the needs of this legislation.

Let me reinforce a part of his message, and that is, the dire need for affordable, decent, safe housing for our aging population. Since I am probably one of them, this is probably a conflict of interest as I speak.

I rise in support of this bipartisan legislation, which extends the life of the "Commission on Affordable Housing and Health Facility Needs for Seniors in the 21st Century," commonly referred to as the Seniors Commission.

The Seniors Commission was established on a bipartisan basis in the last Congress. It is charged with studying and proposing recommendations dealing with the challenges of developing aging in place strategies for the housing and health care needs of our Nation's senior citizens.

Originally, the commission was charged with issuing a report by December 31 of this year, and with wrapping up all business by June 30 of next year. However, more than a year passed after the bill's enactment before commissioners were actually named. This makes meeting the original statutory deadlines unrealistic. Without a change in deadlines, the commission simply cannot do a thorough job of completing the tasks they are charged with. Therefore, this legislation provides a 1 year extension on the report deadline, to December 31 of next year, and a 9-month extension on the commission's termination, to March 31 of 2003.

In addition, the bill authorizes the detailing of Federal personnel to the commission on nonreimbursable basis. Currently, such detailing can only be done on a reimbursable basis.

This is a noncontroversial bill, and I urge its adoption.

Mr. Speaker, I encourage all my colleagues to give their enthusiastic support in extending the life of the commission.

Mr. OXLEY. Mr. Speaker, I rise in support of H.R. 1850—the "Senior Housing Commission Extension Act of 2001."

The Committee voted unanimously to support this legislation on June 27, 2001 and reported [House Report 107-147] the bill to the House on July 19, 2001. This legislation makes certain technical corrections to legislation enacted in October 1999 creating the Commission on Affordable Housing and Health Care Facility Needs in the 21st Century. As I understand, it took one year longer than anticipated for Congress to appoint Commission members. As a result, we are extending the Commission's reporting deadline and termination date by one year. We also clarify the Commission's authority to use agency employees as details on a non-reimbursable basis.

As many of you know, our population is aging, particularly for low- and moderate-income families and individuals. According to the Department of Commerce, Bureau of the Census, in July 1999 there were more than 35.5 million Americans over 65 years of age, and the Bureau projects that by the year 2075, more than 55.7 million, or one in eight Americans, will be over 65 years of age.

These are purely technical corrections worked-out between the majority and minority staffs along with the Commission's Executive Director—Gerard Holder—that will empower the Commission to provide the type of report and recommendations necessary to assist Congress in addressing elderly housing issues.

Mr. Speaker, I urge passage of this legislation.

Mr. GREEN of Wisconsin. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. CARSON of Indiana. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. GREEN) that the House suspend the rules and pass the bill, H.R. 1850.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

MARK-TO-MARKET EXTENSION
ACT OF 2001

Mr. GREEN of Wisconsin. Mr. Speaker, I move to suspend the rules and pass the bill (2589) to amend the Multifamily Assisted Housing Reform and Affordability Act of 1997 to reauthorize the Office of Multifamily Housing Assistance Restructuring, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2589

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Mark-to-Market Extension Act of 2001".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

- Sec. 1. Short title and table of contents.
- Sec. 2. Purposes.
- Sec. 3. Effective date.

TITLE I—MULTIFAMILY HOUSING MORTGAGE AND ASSISTANCE RESTRUCTURING AND SECTION 8 CONTRACT RENEWAL

- Sec. 101. Definitions.
- Sec. 102. Mark-to-market program amendments.
- Sec. 103. Consistency of rent levels under enhanced voucher assistance and rent restructurings.
- Sec. 104. Eligible inclusions for renewal rents of partially assisted buildings.
- Sec. 105. Eligibility of restructuring projects for miscellaneous housing insurance.
- Sec. 106. Technical corrections.

TITLE II—OFFICE OF MULTIFAMILY HOUSING ASSISTANCE RESTRUCTURING

- Sec. 201. Reauthorization of Office and extension of program.

- Sec. 202. Appointment of Director.
 Sec. 203. Vacancy in position of Director.
 Sec. 204. Oversight by Federal Housing Commissioner.
 Sec. 205. Limitation on subsequent employment.

TITLE III—MISCELLANEOUS HOUSING PROGRAM AMENDMENTS

- Sec. 301. Extension of CDBG public services cap exception.
 Sec. 302. Use of section 8 enhanced vouchers for prepayments.
 Sec. 303. Prepayment and refinancing of loans for section 202 supportive housing.
 Sec. 304. Technical correction.

SEC. 2. PURPOSES.

The purposes of this Act are—

- (1) to continue the progress of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (referred to in this section as “that Act”);
 (2) to ensure that properties that undergo mortgage restructurings pursuant to that Act are rehabilitated to a standard that allows the properties to meet their long-term affordability requirements;
 (3) to ensure that, for properties that undergo mortgage restructurings pursuant to that Act, reserves are set at adequate levels to allow the properties to meet their long-term affordability requirements;
 (4) to ensure that properties that undergo mortgage restructurings pursuant to that Act are operated efficiently, and that operating expenses are sufficient to ensure the long-term financial and physical integrity of the properties;
 (5) to ensure that properties that undergo rent restructurings have adequate resources to maintain the properties in good condition;
 (6) to ensure that the Office of Multifamily Housing Assistance Restructuring of the Department of Housing and Urban Development continues to focus on the portfolio of properties eligible for restructuring under that Act;
 (7) to ensure that the Department of Housing and Urban Development carefully tracks the condition of those properties on an ongoing basis;
 (8) to ensure that tenant groups, nonprofit organizations, and public entities continue to have the resources for building the capacity of tenant organizations in furtherance of the purposes of subtitle A of that Act; and
 (9) to encourage the Office of Multifamily Housing Assistance Restructuring to continue to provide participating administrative entities, including public participating administrative entities, with the flexibility to respond to specific problems that individual cases may present, while ensuring continued outcomes around the country.

SEC. 3. EFFECTIVE DATE.

Except as provided in sections 106(a)(2), 303(b), and 304(b), this Act and the amendments made by this Act shall take effect or are deemed to have taken effect, as appropriate, on the earlier of—

- (1) the date of the enactment of this Act; or
 (2) September 30, 2001.

TITLE I—MULTIFAMILY HOUSING MORTGAGE AND ASSISTANCE RESTRUCTURING AND SECTION 8 CONTRACT RENEWAL

SEC. 101. DEFINITIONS.

Section 512 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by adding at the end the following new paragraph:

“(19) OFFICE.—The term ‘Office’ means the Office of Multifamily Housing Assistance Restructuring established under section 571.”

SEC. 102. MARK-TO-MARKET PROGRAM AMENDMENTS.

(a) FUNDING FOR TENANT AND NONPROFIT PARTICIPATION.—Section 514(f)(3)(A) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended—

(1) by striking “Secretary may provide not more than \$10,000,000 annually in funding” and inserting “Secretary shall make available not more than \$10,000,000 annually in funding, which amount shall be in addition to any amounts made available under this subparagraph and carried over from previous years.”; and

(2) by striking “entities) and for tenant services,” and inserting “entities), for tenant services, and for tenant groups, nonprofit organizations, and public entities described in section 517(a)(5).”

(b) EXCEPTION RENTS.—Section 514(g)(2)(A) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by striking “restructured mortgages in any fiscal year” and inserting “portfolio restructuring agreements”.

(c) NOTICE TO DISPLACED TENANTS.—Section 516(d) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by striking “Subject to” and inserting the following:

“(1) NOTICE TO CERTAIN RESIDENTS.—The Office shall notify any tenant that is residing in a project or receiving assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) at the time of rejection under this section, of such rejection, except that the Office may delegate the responsibility to provide notice under this paragraph to the participating administrative entity.
 “(2) ASSISTANCE AND MOVING EXPENSES.—Subject to”.

(d) RESTRUCTURING PLANS FOR TRANSFERS OF PREPAYMENT PROJECTS.—The Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended—

(1) in section 524(e), by adding at the end the following new paragraph:

“(3) MORTGAGE RESTRUCTURING AND RENTAL ASSISTANCE SUFFICIENCY PLANS.—Notwithstanding paragraph (1), the owner of the project may request, and the Secretary may consider, mortgage restructuring and rental assistance sufficiency plans to facilitate sales or transfers of properties under this subtitle, subject to an approved plan of action under the Emergency Low Income Housing Preservation Act of 1987 (12 U.S.C. 1715l note) or the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4101 et seq.), which plans shall result in a sale or transfer of those properties.”; and

(2) in the last sentence of section 512(2), by inserting “, but does include a project described in section 524(e)(3)” after “section 524(e)”.

(e) ADDITION OF SIGNIFICANT FEATURES.—Section 517 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended—

(1) by striking subsection (c) (except that the striking of such subsection may not be construed to have any effect on the provisions of law amended by such subsection, as such subsection was in effect before the date of the enactment of this Act);
 (2) in subsection (b)—

(A) in paragraph (7), by striking “(7)” and inserting “(1)”;

(B) by adding at the end the following new paragraph:

“(2) ADDITION OF SIGNIFICANT FEATURES.—“(A) AUTHORITY.—An approved mortgage restructuring and rental assistance sufficiency plan may require the improvement of the project by the addition of significant features that are not necessary for rehabilita-

tion to the standard provided under paragraph (1), such as air conditioning, an elevator, and additional community space. The Secretary shall establish guidelines regarding the inclusion of requirements regarding such additional significant features under such plans.

“(B) FUNDING.—Significant features added pursuant to an approved mortgage restructuring and rental assistance sufficiency plan may be paid from the funding sources specified in the first sentence of paragraph (1)(A).

“(C) LIMITATION ON OWNER CONTRIBUTION.—An owner of a project may not be required to contribute from non-project resources, toward the cost of any additional significant features required pursuant to this paragraph, more than 25 percent of the amount of any assistance received for the inclusion of such features.

“(D) APPLICABILITY.—This paragraph shall apply to all eligible multifamily housing projects, except projects for which the Secretary and the project owner executed a mortgage restructuring and rental assistance sufficiency plan on or before the date of the enactment of the Mark-to-Market Extension Act of 2001.”; and

(3) by inserting after paragraph (6) of subsection (b) the following:

“(C) REHABILITATION NEEDS AND ADDITION OF SIGNIFICANT FEATURES.—”

(f) LOOK-BACK PROJECTS.—Section 512(2) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by adding after the period at the end of the last sentence the following:

“Notwithstanding any other provision of this title, the Secretary may treat a project as an eligible multifamily housing project for purposes of this title if (I) the project is assisted pursuant to a contract for project-based assistance under section 8 of the United States Housing Act of 1937 renewed under section 524 of this Act, (II) the owner consents to such treatment, and (III) the project met the requirements of the first sentence of this paragraph for eligibility as an eligible multifamily housing project before the initial renewal of the contract under section 524.”

(g) SECOND MORTGAGES.—Section 517(a) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended—

(1) in paragraph (1)(B), by striking “no more than the” and inserting the following: “not more than the greater of—

“(i) the full or partial payment of claim made under this subtitle; or
 “(ii) the”;

(2) in paragraph (5), by inserting “of the second mortgage, assign the second mortgage to the acquiring organization or agency,” after “terms”.

(h) EXEMPTIONS FROM RESTRUCTURING.—Section 514(h)(2) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by inserting before the semicolon the following: “, or refinanced pursuant to section 811 of the American Homeownership and Economic Opportunity Act of 2000 (12 U.S.C. 1701q note)”.

SEC. 103. CONSISTENCY OF RENT LEVELS UNDER ENHANCED VOUCHER ASSISTANCE AND RENT RESTRUCTURINGS.

Subtitle A of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by adding at the end the following new section:

“SEC. 525. CONSISTENCY OF RENT LEVELS UNDER ENHANCED VOUCHER ASSISTANCE AND RENT RESTRUCTURINGS.

“(a) IN GENERAL.—The Secretary shall examine the standards and procedures for determining and establishing the rent standards described under subsection (b). Pursuant to such examination, the Secretary shall

establish procedures and guidelines that are designed to ensure that the amounts determined by the various rent standards for the same dwelling units are reasonably consistent and reflect rents for comparable unassisted units in the same area as such dwelling units.

“(b) RENT STANDARDS.—The rent standards described in this subsection are as follows:

“(1) ENHANCED VOUCHERS.—The payment standard for enhanced voucher assistance under section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)).

“(2) MARK-TO-MARKET.—The rents derived from comparable properties, for purposes of section 514(g) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note).

“(3) CONTRACT RENEWAL.—The comparable market rents for the market area, for purposes of section 524(a)(4) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note).”

SEC. 104. ELIGIBLE INCLUSIONS FOR RENEWAL RENTS OF PARTIALLY ASSISTED BUILDINGS.

Section 524(a)(4)(C) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by adding after the period at the end the following: “Notwithstanding any other provision of law, the Secretary shall include in such budget-based cost increases costs relating to the project as a whole (including costs incurred with respect to units not covered by the contract for assistance), but only (I) if inclusion of such costs is requested by the owner or purchaser of the project, (II) if inclusion of such costs will permit capital repairs to the project or acquisition of the project by a nonprofit organization, and (III) to the extent that inclusion of such costs (or a portion thereof) complies with the requirement under clause (ii).”

SEC. 105. ELIGIBILITY OF RESTRUCTURING PROJECTS FOR MISCELLANEOUS HOUSING INSURANCE.

Section 223(a)(7) of the National Housing Act (12 U.S.C. 1715n(a)(7)) is amended—

(1) by striking “under this Act: *Provided*, That the principal” and inserting the following: “under this Act, or an existing mortgage held by the Secretary that is subject to a mortgage restructuring and rental assistance sufficiency plan pursuant to the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note), provided that—

“(A) the principal”;

(2) by striking “except that (A)” and inserting “except that (i)”;

(3) by striking “(B)” and inserting “(ii)”;

(4) by striking “(C)” and inserting “(iii)”;

(5) by striking “(D)” and inserting “(iv)”;

(6) by striking “: *Provided further*, That a mortgage” and inserting the following “; and “(B) a mortgage”;

(7) by striking “or” at the end; and

(8) by adding at the end the following new subparagraph:

“(C) a mortgage that is subject to a mortgage restructuring and rental assistance sufficiency plan pursuant to the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) and is refinanced under this paragraph may have a term of not more than 30 years; or”.

SEC. 106. TECHNICAL CORRECTIONS.

(a) EXEMPTIONS FROM RESTRUCTURING.—

(1) IN GENERAL.—Section 514(h) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended to read as if the amendment made by section 531(c) of Public Law 106-74 (113 Stat. 1116) were made to “Section 514(h)(1)” instead of “Section 514(h)”.

(2) RETROACTIVE EFFECT.—The amendment made by paragraph (1) of this subsection is

deemed to have taken effect on the date of the enactment of Public Law 106-74 (113 Stat. 1109).

(b) OTHER.—The Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended—

(1) in section 511(a)(12), by striking “this Act” and inserting “this title”;

(2) in section 513, by striking “this Act” each place such term appears in subsections (a)(2)(I) and (b)(3) and inserting “this title”;

(3) in section 514(f)(3)(B), by inserting “Housing” after “Multifamily”;

(4) in section 515(c)(1)(B), by inserting “or” after the semicolon;

(5) in section 517(b)—

(A) in each of paragraphs (1) through (6), by capitalizing the first letter of the first word that follows the paragraph heading;

(B) in each of paragraphs (1) through (5), by striking the semicolon at the end and inserting a period; and

(C) in paragraph (6), by striking “; and” at the end and inserting a period;

(6) in section 520(b), by striking “Banking and”; and

(7) in section 573(d)(2), by striking “Banking and”.

TITLE II—OFFICE OF MULTIFAMILY HOUSING ASSISTANCE RESTRUCTURING
SEC. 201. REAUTHORIZATION OF OFFICE AND EXTENSION OF PROGRAM.

Section 579 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended—

(1) by striking subsection (a) and inserting the following new subsection:

“(a) REPEALS.—

“(1) MARK-TO-MARKET PROGRAM.—Subtitle A (except for section 524) is repealed effective October 1, 2006.

“(2) OMHAR.—Subtitle D (except for this section) is repealed effective October 1, 2004.”;

(2) in subsection (b), by striking “October 1, 2001” and inserting “October 1, 2006”;

(3) in subsection (c), by striking “upon September 30, 2001” and inserting “at the end of September 30, 2004”; and

(4) by striking subsection (d) and inserting the following new subsection:

“(d) TRANSFER OF AUTHORITY.—Effective upon the repeal of subtitle D under subsection (a)(2) of this section, all authority and responsibilities to administer the program under subtitle A are transferred to the Secretary.”.

SEC. 202. APPOINTMENT OF DIRECTOR.

(a) IN GENERAL.—Section 572 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by striking subsection (a) and inserting the following new subsection:

“(a) APPOINTMENT.—The Office shall be under the management of a Director, who shall be appointed by the President from among individuals who are citizens of the United States and have a demonstrated understanding of financing and mortgage restructuring for affordable multifamily housing.”.

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply to the first Director of the Office of Multifamily Housing Assistance Restructuring of the Department of Housing and Urban Development appointed after the date of the enactment of this Act, and any such Director appointed thereafter.

SEC. 203. VACANCY IN POSITION OF DIRECTOR.

(a) IN GENERAL.—Section 572 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by striking subsection (b) and inserting the following new subsection:

“(b) VACANCY.—A vacancy in the position of Director shall be filled by appointment in

the manner provided under subsection (a). The President shall make such an appointment not later than 60 days after such position first becomes vacant.”.

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply to any vacancy in the position of Director of the Office of Multifamily Housing Assistance Restructuring of the Department of Housing and Urban Development which occurs or exists after the date of the enactment of this Act.
SEC. 204. OVERSIGHT BY FEDERAL HOUSING COMMISSIONER.

(a) IN GENERAL.—Section 578 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended to read as follows:

“SEC. 578. OVERSIGHT BY FEDERAL HOUSING COMMISSIONER.

“All authority and responsibilities assigned under this subtitle to the Secretary shall be carried out through the Assistant Secretary of the Department of Housing and Urban Development who is the Federal Housing Commissioner.”.

(b) REPORT.—The second sentence of section 573(b) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by striking “Secretary” and inserting “Assistant Secretary of the Department of Housing and Urban Development who is the Federal Housing Commissioner”.

SEC. 205. LIMITATION ON SUBSEQUENT EMPLOYMENT.

Section 576 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by striking “2-year period” and inserting “1-year period”.

TITLE III—MISCELLANEOUS HOUSING PROGRAM AMENDMENTS

SEC. 301. EXTENSION OF CDBG PUBLIC SERVICES CAP EXCEPTION.

Section 105(a)(8) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(8)) is amended by striking “through 2001” and inserting “through 2003”.

SEC. 302. USE OF SECTION 8 ENHANCED VOUCHERS FOR PREPAYMENTS.

Section 8(t)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)(2)) is amended by inserting after “insurance contract for the mortgage for such housing project” the following: “(including any such mortgage prepayment during fiscal year 1996 or a fiscal year thereafter or any insurance contract voluntary termination during fiscal year 1996 or a fiscal year thereafter)”.

SEC. 303. PREPAYMENT AND REFINANCING OF LOANS FOR SECTION 202 SUPPORTIVE HOUSING.

(a) IN GENERAL.—Section 811 of the American Homeownership and Economic Opportunity Act of 2000 (12 U.S.C. 1701q note) is amended by striking subsection (e).

(b) EFFECTIVENESS UPON DATE OF ENACTMENT.—The amendment made by subsection (a) of this section shall take effect upon the date of the enactment of this Act and the provisions of section 811 of the American Homeownership and Economic Opportunity Act of 2000 (12 U.S.C. 1701q note), as amended by subsection (a) of this section, shall apply as so amended upon such date of enactment, notwithstanding—

(1) any authority of the Secretary of Housing and Urban Development to issue regulations to implement or carry out the amendments made by subsection (a) of this section or the provisions of section 811 of the American Homeownership and Economic Opportunity Act of 2000 (12 U.S.C. 1701q note); or

(2) any failure of the Secretary of Housing and Urban Development to issue any such regulations authorized.

SEC. 304. TECHNICAL CORRECTION.

(a) IN GENERAL.—Section 101(a) of Public Law 100-77 (42 U.S.C. 11301 note) is amended

to read as if the amendment made by section 1 of Public Law 106-400 (114 Stat. 1675) were made to "Section 101" instead of "Section 1".

(b) RETROACTIVE EFFECT.—The amendment made by subsection (a) of this section is deemed to have taken effect immediately after the enactment of Public Law 106-400 (114 Stat. 1675).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. GREEN) and the gentlewoman from Indiana (Ms. CARSON) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. GREEN).

GENERAL LEAVE

Mr. GREEN of Wisconsin. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H.R. 2589, the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. GREEN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

The legislation we are considering here today is about affordable housing for low-income families and how to keep it affordable. The mark-to-market program and the Office of Multifamily Housing Assistance Restructuring, OMHAR, are both scheduled to terminate on September 30, 2001. The legislation we are considering today represents a House-Senate consensus. H.R. 2589 extends the Office of Multifamily Housing Assistance Restructuring through October 1, 2004, and reauthorizes the mark-to-market program through October 1, 2006.

My colleagues should note, as a way of background, that in the late 1970s and in the early 1980s, about 800,000 units in 8,500 multifamily housing projects were financed with mortgage insured by the Federal Housing Administration and supported by Section 8 housing assistance payment contracts. The Federal Government guaranteed that these projects would be built by insuring the mortgages and using Section 8 contracts to guarantee that the rents would be high enough to pay off the mortgages. In most markets, these rents were above market levels. Typically, the mortgages for these multifamily dwellings had terms of 40 years and the Section 8 contracts had terms of 20 years.

By the late 1990s, the 20-year Section 8 contracts started to expire. Congress started renewing the Section 8 contracts for 1 year at market rents. In some areas, the market rents were sufficient to support the property, but in other areas, market rents were not enough to support the mortgage payments. Consequently, those properties were in danger of defaulting and costing the Federal taxpayer billions of dollars.

In 1997, after a careful review of the insured multifamily portfolio of the

FHA, Congress realized that if substantial changes to the Section 8 project-based program were not made, the renewals of expiring contracts for Section 8 assistance would consume an increasingly larger share of HUD's future budgets. In fact, HUD estimated that if no action were taken by 2007, the annual cost of renewing project-based Section 8 contracts would rise to approximately \$7 billion, or about one-third of HUD's entire budget.

In an effort to address this growing problem, Congress enacted the Multifamily Assisted Housing Reform and Affordability Act. The goal of that 1997 legislation was twofold: First and foremost, to preserve affordable low-income rental housing; and, second, to reduce the cost to the Federal Government of rental assistance payments.

Specifically, the legislation established OMHAR, the Office of Multifamily Housing Assistance, and the mark-to-market program for restructuring section 8 based properties with FHA-insured mortgages. The mark-to-market program provides the tools necessary for HUD to restructure the insured Section 8 multifamily housing projects by lowering their rents to market levels when their current Section 8 contracts expires, and also by restructuring their mortgage debt, if such action is necessary, for the property to continue to have a positive cash flow.

In addition to extending OMHAR and the authority of the mark-to-market program, H.R. 2589 simplifies issues of jurisdiction and coordination by requiring the program director to report directly to the Federal Housing Commissioner instead of the Secretary of HUD. At present, the Office of Housing is responsible for Section 8 subsidy payments and the management of insurance contracts while at the same time OMHAR is responsible for restructuring them for the future. The same projects are under the jurisdiction of two separate equal offices, each reporting to the Secretary simultaneously. Having OMHAR report to the Commissioner will simplify these issues of coordination and jurisdiction.

Mr. Speaker, I will be submitting for the record a section-by-section analysis of the bill and also several support letters for this legislation, letters from the National Association of Home Builders, the National Leased Housing Association, the National Housing Trust, and the National Affordable Housing Management Association.

□ 1545

Mr. Speaker, this legislation is supported by the National Leased Housing Association, the National Apartment Association, the National Multi-Housing Council, the National Affordable Housing Management Association, the National Association of Realtors, the Institute of Real Estate Management, the Mortgage Bankers Association, the Council for Affordable and Rural Housing, the Coalition for Affordable Hous-

ing Preservation, the Appraisal Institute, the National Housing Trust, and the National Association of Home Builders.

Mr. Speaker, with all of that support, I urge my colleagues to support this legislation, and I urge its adoption.

Mr. Speaker, I submit for the RECORD the letters and section by section analysis I referred to earlier.

NATIONAL ASSOCIATION OF HOME BUILDERS, LEGISLATIVE AND POLITICAL RELATIONS,

Washington, DC, September 24, 2001.

Hon. MARGE ROUKEMA,

Chair, House of Representatives Subcommittee on Housing and Community Opportunity, Rayburn House Office Building, Washington, DC.

DEAR CHAIRWOMAN ROUKEMA: On behalf of the 205,000 members of the National Association of Home Builders, I write to express our support for H.R. 2589, the Office of Multifamily Housing Assistance Restructuring Act of 2001."

Timely passage of the reauthorizing legislation is critical to the continuation of the Department of Housing and Urban Development's (HUD) authority to restructure mortgages on multifamily properties insured by FHA and enhanced by Section 8 rental assistance. This program ensures the continued viability of affordable multifamily properties and ultimately saves the federal government money. Because the program is due to expire on October 1, 2001, I respectfully request your support for swift passage of H.R. 2589 which extends the program for another five years.

NAHB urges you to support passage of H.R. 2589, as amended. Thank you in advance for your consideration of views important to the housing industry.

Sincerely,

KATHERINE E. DODDRIDGE,
Acting Senior Staff Vice President.

NATIONAL LEASED HOUSING ASSOCIATION,

Washington, DC, September 24, 2001.

Hon. MARGE ROUKEMA,

Chair, Subcommittee on Housing & Community Opportunity, Rayburn House Office Building, Washington, DC.

DEAR CHAIRWOMEN ROUKEMA: I am writing on behalf of the National Leased Housing Association (NLHA) in support of H.R. 2589 as revised. The bill includes the necessary reauthorization of the mark to market program while making a number of non-controversial revisions that will improve processing under the program.

The bill will present a disruption of mortgages currently in the OMHAR pipeline and will provide a measure of stability for future properties that will benefit from the technical provisions impacting contributions to rehabilitation, length of second mortgages, and the eligibility of HUD-held loans for certain mortgage processing. The bill also ensures the adequate distribution of technical assistance funding and corrects several inconsistent provisions in current law.

We are grateful for your leadership in crafting a compromise with the Senate to eliminate the controversial provisions in S. 1254. NLHA recently joined with a number of industry groups to express our concern with several provisions contained in the original S. 1254, including the National Apartment Association, the National Multi Housing Council, the National Association of Realtors, the Institute for Real Estate Management, the Mortgage Bankers Association, the Council for Affordable and Rural Housing, the National Affordable Housing Management Association, the Appraisal Institute

and the Coalition for Affordable Housing Preservation. We appreciate your efforts to address and mitigate those concerns.

As always, we are thankful for your interest in promoting the preservation of the affordable housing stock.

Sincerely,

DENISE B. MUBA,
Executive Director.

NATIONAL HOUSING TRUST,
Washington, DC, September 24, 2001.

Re: *Extension of Mark to Market Authorization; HR 2589*

Congresswoman MARGE ROUKEMA,
Chair, House Financial Services Subcommittee, Housing and Community Opportunity, Rayburn House Office Building, Washington, DC.

DEAR CONGRESSWOMAN ROUKEMA: Formed in 1986, the National Housing Trust is a national nonprofit organization, located in Washington, D.C. The Trust is dedicated to the preservation of existing affordable housing. Its board of directors is comprised of nationally recognized authorities and practitioners in the housing and community development field.

The Trust is a multi-faceted organization, with expertise in the financial, regulatory, tax and legal aspects of existing, federal assisted, multifamily affordable housing. It performs a path-finding role in the area through a unique mix of public policy development, technical assistance and transactional activities.

The Trust plays a leading role in providing information and technical assistance to various stakeholders concerning various HUD proposals which concern the mortgage restructuring and subsidy renewal for nearly 1.3 million units of federally assisted and insured housing stock. The Trust has testified numerous times before Congress on this issue, developed policy papers concerning various proposals and developed a unique database for these apartments, noting term of contract, time of expiration, and the relationship of the current contract rent level to local rents. The Trust also trains and helps explain to residents their rights under HUD programs, including HUD's "Mark to Market" program.

The September 30, 2001 sunset date for the Mark to Market legislative authority provided Congress a unique opportunity to both review the existing program, analyze its progress and remedy any perceived problems with the current program. In our view, HR 2589 is a significant bipartisan response to the need for continued Mark to Market legislation.

The program of marking HUD rents down to comparable market levels has been successful at both saving the taxpayers unnecessary expense and reducing overleveraged HUD properties. At the same time, experience has shown that many Mark to Market assets provide necessary shelter for very low income American families who would have no other choice if the housing was not available to them. We are currently at mid point in the program's progress and an extension is obviously necessary.

HR 2589 is to be particularly commended because it not only extends the program but also rectifies some technical flaws that will make the program work better in the future. For example, apart from the very important procedural changes and extensions of the program itself, without any additional material cost to the American taxpayer:

HR 2589 makes plain that the HUD Secretary shall provide already statutorily provided funds for technical assistance to residents and nonprofits who are interested in Mark to Market housing and that funding

for these programs should flow to those in entities on an uninterrupted basis.

As originally intended by Congress, the HUD Secretary is given the option to provide sufficient "Exception Rents" options for properties where the Secretary determines that the housing needs of residents and the community cannot be adequately addressed through implementation of the rent limitations in the statute.

HR 2589 makes a technical change permitting subordinate debt to be assumable by a nonprofit organization interested in preserving the housing as affordable;

HR 2589 permits HUD to consider for Mark to Market certain properties for sales to nonprofits and tenant groups which had previously not been permitted in the program;

HR 2589 requires the Secretary to include, for partially assisted projects owned by nonprofit organizations, budget based costs related to the project as a whole, including costs incurred with respect to units not covered by the contract for assistance; and

HR 2589 permits Section 223(a)(7), a HUD insurance program ideally suited for Mark to Market projects, more useful for Mark to Market financing.

Thank you for your leadership on this important issue.

Very truly yours,

MICHAEL BODAKEN,
Executive Director.

NATIONAL AFFORDABLE HOUSING
MANAGEMENT ASSOCIATION,
Alexandria, VA, September 24, 2001.

Hon. MICHAEL G. OXLEY,
Chairman, Committee on Financial Services, House of Representatives, Washington, DC.

DEAR CHAIRMAN OXLEY: NAHMA is pleased to express its support for H.R. 2589, the Mark-to-Market Extension Act of 2001.

An effective mortgage restructuring program can meet the dual objectives of reducing the cost of section 8 assistance at the time of contract renewal and preserving the existing supply of housing affordable by lower income families. Although we have been disappointed at times by the slow implementation of the mark-to-market program and by some of its procedural shortcomings, we believe that reauthorization of the program presents the best opportunity for an orderly restructuring process that protects the interests of owners, residents, communities and the public.

We want to thank you and your staff for considering the views of the multifamily housing industry in the development of this latest version of H.R. 2589. As currently drafted the bill makes a number of important improvements in the mark-to-market program and its administration. We believe that H.R. 2589 will increase the confidence of all stakeholders in the mark-to-market process.

Again, NAHMA thanks you for your leadership on this issue.

Sincerely,

GEORGE C. CARUSO,
Executive Director.

H.R. 2589 "MARK-TO-MARKET EXTENSION ACT OF 2001"

SEC. 1 TITLE—"MARK-TO-MARKET EXTENSION ACT OF 2001"

SEC. 2. PURPOSES

The purposes of this Act are: (1) to continue the progress of the Multifamily Assisted Housing Reform and Affordability Act of 1997; (2) to ensure that properties that undergo mortgage restructurings are rehabilitated to a standard allowing them to meet long-term affordability requirements, and that they have adequate reserves for long-

term commitments; (3) to ensure that participating properties are operated efficiently and that operating expenses are adequate to maintain the properties in good physical and financial condition; (4) to ensure that properties that undergo rent restructuring have adequate resources to maintain the properties in good condition; (5) to ensure that OMHAR continues to focus on the portfolio of properties eligible for restructuring; (6) that the condition of these properties is tracked on an ongoing basis; (7) to ensure that tenant groups, nonprofit organizations, and public entities continue to have the resources necessary to build the capacity of tenant organizations; (8) to encourage OMHAR to continue to provide participating administrative entities with the flexibility to respond to specific problems while ensuring consistent outcomes around the country.

SEC. 3. EFFECTIVE DATE

Except for sections 106(a)(2) and 303(b), this Act and its amendments take effect on the earlier of the date of enactment or September 30, 2001.

Title I—Multifamily Housing Mortgage and Assistance Restructuring and Section 8 Contract Renewal

SEC. 101. DEFINITIONS

This section makes some technical changes to section 512 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f) designating "office" as OMHAR.

SEC. 102. MARK-TO-MARKET PROGRAM AMENDMENTS

(1) This section amends 514(f)(3) of the Act by requiring HUD to give restructuring grants to tenant groups, tenant-endorsed community-based nonprofits, and public entities for tenant services in projects undergoing restructuring. These grants are available over a two-year period.

514(g)(2)(A) of the Act—Exception Rents—is amended by striking "restructured mortgages in any fiscal year" and inserting "portfolio restructuring agreements".

516(d) is amended to require section 8 tenants, living in projects that will no longer receive assistance, to be notified at the time of a rejection that a project will no longer participate in the program, and subject to the availability of appropriations, tenants of the project will be given enhanced vouchers and aided with reasonable moving expenses.

524(e) is amended by adding that if the owner of a property assisted under the Emergency Low Income Housing Preservation and Resident Homeownership Act of 1990, requests HUD to participate in the restructuring program in order to facilitate the sale or transfer of the property.

517(b)—Restructuring Tools—adds that if a participating administrative entity (PAE) determines that major additions (air-conditioning, elevators, etc.) are required for a property in the mortgage restructuring program, the owner contribution may not exceed 25% of the amount of rehabilitation assistance for this purpose. This applies to all eligible multifamily projects except those that worked out a restructuring plan with HUD before the enactment of this Act. All owners are still required to obtain at least 25% of the amount of rehabilitation assistance received from non-project sources for regular rehabilitation concerns.

512(2)—Look-Back Projects—allows the Secretary to treat a project as an eligible multifamily housing project if the project is assisted pursuant to a contract for project-based assistance under 8 of the United States Housing Act of 1937 and renewed under section 524 of this act, if the owner consents and the project meets the requirements in this section for eligibility. Essentially, this provision gives the Secretary authority to

“look back” and bring properties into the Mark-to-Market (MTM) program after they have already gone through an initial rent comparability review at the discretion of the owner.

517(a)—Second Mortgages—permits second mortgages on participating projects to be resized to not more than the greater of the full or partial claim made under this program or the difference between the first mortgage. This provision also allows the Secretary to assign the second mortgage to an organization, such as a non-profit corporation.

514(h)(2)—Exemptions From Restructuring—amends section 811 of the American Homeownership and Economic Opportunity Act of 2000 (12 U.S.C. 1701q) to exempt elderly properties from restructuring.

SEC. 103. CONSISTENCY OF ENHANCED VOUCHER ASSISTANCE AND MARK-TO-MARKET RENTS

Requires the Secretary to establish procedures and guidelines that ensure that rent payment standards for enhanced voucher assistance, mark to market and contract renewal are consistent.

SEC. 104. ELIGIBLE INCLUSIONS FOR RENEWAL RENTS OF PARTIALLY ASSISTED BUILDINGS

Amends section 524(a)(4)(C) to require the Secretary to approve rents under the section 8 contract to cover budget-based cost increases for the project as a whole, including costs incurred with respect to units not covered by the contract for assistance in order to permit capital repairs or acquisition by a nonprofit owner or purchaser.

SEC. 105. ELIGIBILITY OF RESTRUCTURING PROJECTS FOR MISCELLANEOUS HOUSING INSURANCE

Section 223(a)(7) of the National Housing Act (12 U.S.C. 1715n(a)(7)) is amended by including properties undergoing restructuring in FHA's streamlined refinancing program, and permits restructuring properties to have a refinance term of up to 30 years.

SEC. 106. TECHNICAL CORRECTIONS

This section makes technical corrections to the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note).

Title II—Office of Multifamily Housing Assistance Restructuring

SEC. 201. REAUTHORIZATION OF OFFICE AND EXTENSION OF PROGRAM

This section extends the Office of Multifamily Housing Assistance and Restructuring (OMHAR) for three years and restructuring authority for an additional two years.

Section 579 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 is amended by repealing Subtitle A, the Mark-to-Market program, (except for section 524) effective October 1, 2006. Subtitle D, OMHAR, is repealed effective October 1, 2004 (except for this section).

Repealing Subtitle A in 2006 terminates HUD's authority to restructure mortgages after 5 years, though excluding section 524 allows HUD to continue to renew section 8 contracts indefinitely. Repealing Subtitle D in 2004 terminates OMHAR after 3 years.

SEC. 202. APPOINTMENT OF DIRECTOR

The Office shall be under the management of a Director, who shall be appointed by the President. The amendment made by subsection (a) shall apply to the first Director of OMHAR appointed after the date of enactment.

SEC. 203. VACANCY IN POSITION OF DIRECTOR

Section 572 is amended to permit the President to appoint a Director of OMHAR within 60 days after the position becomes vacant.

SEC. 204. OVERSIGHT BY FEDERAL HOUSING COMMISSIONER

Section 578 is amended by placing oversight authority and responsibilities for

OMHAR with the Federal Housing Commissioner.

Section 573(b) is amended by requiring the Director of OMHAR to report semi-annually to the Federal Housing Commissioner regarding his activities, actions and determinations, rather than to the Secretary of HUD.

SEC. 205. LIMITATION ON SUBSEQUENT EMPLOYMENT

Section 576 is amended by changing the limitation on subsequent employment from 2 years to 1 year (anti-conflict of interest provision).

Title III—Miscellaneous Housing Program Amendments

SEC. 301. EXTENSION OF CDBG PUBLIC SERVICES CAP EXCEPTION

Section 105(a)(8) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(8)) is amended by striking “through 2001” and inserting “through 2003”.

SEC. 302. USE OF SECTION 8 ENHANCED VOUCHERS FOR PREPAYMENTS

Section 8(t)(2) of the U.S. Housing Act of 1937 (42 U.S.C. 1437f(t)(2)) is amended to provide a technical correction allowing residents of developments, where the owner prepaid in FY 1996, to be eligible for enhanced vouchers.

SEC. 303. PREPAYMENT AND REFINANCING OF LOANS FOR SECTION 202 SUPPORTIVE HOUSING

Section 811 of the American Homeownership and Economic Opportunity Act of 2000 (12 U.S.C. 1701q note) makes technical corrections to allow the program to proceed without advance appropriations and make effective immediately notwithstanding any delay in issuing HUD regulations.

SEC. 304. TECHNICAL CORRECTION

This section makes technical corrections to the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11301).

Mr. Speaker, I reserve the balance of my time.

Ms. CARSON of Indiana. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this bipartisan legislation which extends HUD's authority to reduce above-market rents on expiring section 8 projects and to restructure federally insured mortgages on these properties which the lower rents can no longer support.

The bill before us differs somewhat from the bill passed by voice vote in the Committee on Financial Services in July. However, the changes represent informal bipartisan, bicameral discussions that have taken place over the last few months. The final product is a good consensus bill with bipartisan support; and, certainly, therefore, I would urge my colleagues to adopt it.

H.R. 2589 extends for 5 years HUD's authority to conduct “mark-to-market” activities and extends for three years the Office of Multi-Family Housing Assistance Restructuring also known as OMHAR. This extends OMHAR's authority to continue the carry out mark-to-market activities. The purpose of market-to-markets is to reduce the level of project based section 8 rental assistance for affordable housing projects to rent levels commensurate with local market rents.

The end result is that this process saves money for the Federal tax payers

by reducing our section 8 expenditures. However, the statutory authority for mark-to-market activities and for OMHAR is set to expire at the end of this month. According to the GAO, 1,588 properties have entered the mark-to-market program but only 500 of these properties have completed rent reductions. Thus, over 1,000 properties have yet to have their rents reduced. As more contracts expire, there will be additional properties that need to go through rent restructuring.

Therefore, Mr. Speaker, it is essential to extend the program at this time. I would note that this legislation is estimated to save over \$300 million through the reduction of rents. I would also note that since this bill saves money, there is a reasonable possibility that it will later be attached to the VA/HUD appropriations conference report in order to receive a credit from the savings from this bill. If that occurs, we would urge appropriators to reinvest these savings in affordable housing programs instead of being diverted to other programs as is often the case.

With respect to the specific provisions of the bill, we have struck a balance between giving OMHAR the tools it needs while retaining accountability. We have also included a number of good provisions to further housing affordability including providing technical assistance to tenant groups and increasing flexibility for nonprofits to operate.

So in conclusion of my remarks, Mr. Speaker, I am heartened by the bipartisan way we have developed the first major piece of housing legislation in this Congress. I am urging a “yes” vote.

Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. FRANK), a very distinguished, knowledgeable, articulate and dynamic friend of mine.

Mr. FRANK. Mr. Speaker, I thank the gentlewoman for yielding me this time. I am currently in the Committee on the Judiciary having hearings on the important question of the anti-terrorism legislation. The gentlewoman from Indiana (Ms. CARSON) graciously agreed to come down and has done a very good job of explaining the bill.

I simply want to note that the gentlewoman is correct. This is bipartisan. It is bicameral. We have worked it out in conjunction with the other party. It is important to note what I think is a duality of these issues. When it comes to how best to use existing resources to preserve housing, we are able to work together.

There continues to be differences between the parties on how much we should be putting in additional resources for housing. But once we have come to an agreement by whatever process as to what resources are there, I am very pleased we have been able to work in agreement because I think we are committed to the principle that for the Federal Government to have put

money into subsidized housing, to have invited people to come in and live there, and then to allow people's economics to drive them out of what have become their homes is simply unacceptable.

We need to have this ongoing commitment to do this. This is part of that ongoing commitment. It shows we can make adjustments that will save government money as well as require in other instances, not in this bill, increases. So I am grateful for this. I do note it, but I note that it does not do away from what I believe and I know what the gentlewoman from Indiana (Ms. CARSON) believes, is the need to put additional resources in this very rich country into the area of housing.

Let me ask the indulgence to say because I know the other bill will be coming up, the one on the Housing Commission. I also want to express my gratitude to the gentleman from New York (Mr. WALSH), the chairman of the Subcommittee on VA, HUD and Independent Agencies of the Committee on Appropriations because he was helpful in working that out. I am glad we are able to work out the extension and the appropriate staffing.

With that, I will take my leave and let us be guided by the gentlewoman from Indiana; and I will go back to the hearing of the Committee on the Judiciary.

Mr. OXLEY. Mr. Speaker, I rise in support of H.R. 2589—the Mark-to-Market Extension Act of 2001.

The Committee on Financial Services approved unanimously this legislation on July 25, 2001 and reported [House Report 107-196] to the House on September 5, 2001. The Senate Committee on Banking, Housing and Urban Affairs considered a similar bill on August 1, 2001.

H.R. 2589 will extend authorization of the Office of Multifamily Housing Assistance Restructuring, also known as OMHAR, which is currently a separate office within the Department of Housing and Urban Development (HUD). The authority would extend by three years the office through FY 2004 and extend the Secretary's authority to provide mark-to-market services through FY 2006. We believe that HUD will be provided the special tools necessary to restructure developments that receive both project-based rental section 8 payments and Federal Housing Administration mortgage insurance.

As I understand, the original Act was enacted in 1997 and was designed to curtail exploding section 8 rental costs for units renting at far above the prevailing market rates. Without this Act, section 8 contract renewals could top \$7 billion dollars and account for as much as one-third of HUD's future budgets. Because the authorization for this office sunsets September 30th of this year, it is necessary that this bill pass the House today.

The Committee majority and minority staff worked with our Senate counterparts to agree on a legislative solution. Moreover, this Committee worked with the Administration and the Department of Housing and Urban Development to accommodate their concerns. According to the Congressional Budget Office, this compromise language will result in savings of over \$307 million dollars.

Mr. Speaker, this is a good bill and deserves favorable House consideration. Housing Subcommittee Chairwoman MARGE ROUKEMA and Ranking Member BARNEY FRANK are to be commended for their leadership on this issue.

Mr. GREEN of Wisconsin. Mr. Speaker, I yield back the balance of my time.

Ms. CARSON of Indiana. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentleman from Wisconsin (Mr. GREEN) that the House suspend the rules and pass the bill, H.R. 2589, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. GREEN of Wisconsin. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

MUSCULAR DYSTROPHY COMMUNITY ASSISTANCE, RESEARCH AND EDUCATION AMENDMENTS OF 2001

Mr. BILIRAKIS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 717) to amend the Public Health Service Act to provide for research and services with respect to Duchenne muscular dystrophy, as amended.

The Clerk read as follows:

H.R. 717

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Muscular Dystrophy Community Assistance, Research and Education Amendments of 2001", or the "MD-CARE Act".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) *Of the childhood muscular dystrophies, Duchenne Muscular Dystrophy (DMD) is the world's most common and catastrophic form of genetic childhood disease, and is characterized by a rapidly progressive muscle weakness that almost always results in death, usually by 20 years of age.*

(2) *Duchenne muscular dystrophy is genetically inherited, and mothers are the carriers in approximately 70 percent of all cases.*

(3) *If a female is a carrier of the dystrophin gene, there is a 50 percent chance per birth that her male offspring will have Duchenne muscular dystrophy, and a 50 percent chance per birth that her female offspring will be carriers.*

(4) *Duchenne is the most common lethal genetic disorder of childhood worldwide, affecting approximately 1 in every 3,500 boys worldwide.*

(5) *Children with muscular dystrophy exhibit extreme symptoms of weakness, delay in walking, waddling gait, difficulty in climbing stairs, and progressive mobility problems often in combination with muscle hypertrophy.*

(6) *Other forms of muscular dystrophy affecting children and adults include Becker, limb girdle, congenital, facioscapulohumeral, myotonic,*

oculopharyngeal, distal, and Emery-Dreifuss muscular dystrophies.

(7) *Myotonic muscular dystrophy (also known as Steinert's disease and dystrophia myotonica) is the second most prominent form of muscular dystrophy and the type most commonly found in adults. Unlike any of the other muscular dystrophies, the muscle weakness is accompanied by myotonia (delayed relaxation of muscles after contraction) and by a variety of abnormalities in addition to those of muscle.*

(8) *Facioscapulohumeral muscular dystrophy (referred to in this section as "FSHD") is a neuromuscular disorder that is inherited genetically and has an estimated frequency of 1 in 20,000. FSHD, affecting between 15,000 to 40,000 persons, causes a progressive and severe loss of skeletal muscle gradually bringing weakness and reduced mobility. Many persons with FSHD become severely physically disabled and spend many decades in a wheelchair.*

(9) *FSHD is regarded as a novel genetic phenomenon resulting from a crossover of subtelomeric DNA and may be the only human disease caused by a deletion-mutation.*

(10) *Each of the muscular dystrophies, though distinct in progressivity and severity of symptoms, have a devastating impact on tens of thousands of children and adults throughout the United States and worldwide and impose severe physical and economic burdens on those affected.*

(11) *Muscular dystrophies have a significant impact on quality of life—not only for the individual who experiences its painful symptoms and resulting disability, but also for family members and caregivers.*

(12) *Development of therapies for these disorders, while realistic with recent advances in research, is likely to require costly investments and infrastructure to support gene and other therapies.*

(13) *There is a shortage of qualified researchers in the field of neuromuscular research.*

(14) *Many family physicians and health care professionals lack the knowledge and resources to detect and properly diagnose the disease as early as possible, thus exacerbating the progressiveness of symptoms in cases that go undetected or misdiagnosed.*

(15) *There is a need for efficient mechanisms to translate clinically relevant findings in muscular dystrophy research from basic science to applied work.*

(16) *Educating the public and health care community throughout the country about this devastating disease is of paramount importance and is in every respect in the public interest and to the benefit of all communities.*

SEC. 3. EXPANSION, INTENSIFICATION, AND COORDINATION OF ACTIVITIES OF NATIONAL INSTITUTES OF HEALTH WITH RESPECT TO RESEARCH ON MUSCULAR DYSTROPHY.

Part A of title IV of the Public Health Service Act (42 U.S.C. 281 et seq.) is amended by adding at the end the following:

"SEC. 404E. MUSCULAR DYSTROPHY; INITIATIVE THROUGH DIRECTOR OF NATIONAL INSTITUTES OF HEALTH.

"(a) EXPANSION, INTENSIFICATION, AND COORDINATION OF ACTIVITIES.—

"(1) IN GENERAL.—The Director of NIH, in coordination with the Directors of the National Institute of Neurological Disorders and Stroke, the National Institute of Arthritis and Musculoskeletal and Skin Diseases, the National Institute of Child Health and Human Development, and the other national research institutes as appropriate, shall expand and intensify programs of such Institutes with respect to research and related activities concerning various forms of muscular dystrophy, including Duchenne, myotonic, facioscapulohumeral muscular dystrophy (referred to in this section as "FSHD") and other forms of muscular dystrophy.

"(2) COORDINATION.—The Directors referred to in paragraph (1) shall jointly coordinate the