

SA 3793. Mr. RISCH (for himself and Ms. CORTEZ MASTO) submitted an amendment intended to be proposed by him to the bill S. 2296, supra; which was ordered to lie on the table.

SA 3794. Mr. MERKLEY submitted an amendment intended to be proposed by him to the bill S. 2296, supra; which was ordered to lie on the table.

SA 3795. Mr. MERKLEY submitted an amendment intended to be proposed by him to the bill S. 2296, supra; which was ordered to lie on the table.

SA 3796. Mr. MERKLEY submitted an amendment intended to be proposed by him to the bill S. 2296, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 3770. Mr. BENNET submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

In section 1228(a), strike “The Secretary of Defense” and all that follows through “United States Code,” and insert “The Secretary of Defense and each head of an element of the intelligence community (as defined in section 3 of the National Security Act of 1947 (50 U.S.C. 3003)) shall provide intelligence support, including information, intelligence, and imagery collection authorized under applicable provisions of law, including title 10, United States Code, and the National Security Act of 1947 (50 U.S.C. 3001 et seq.),”.

SA 3771. Mr. MERKLEY submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . EPSTEIN FILES TRANSPARENCY.

(a) RELEASE OF DOCUMENTS RELATING TO JEFFREY EPSTEIN.—

(1) IN GENERAL.—Subject to paragraph (3), not later than 30 days after the date of enactment of this Act, the Attorney General shall make publicly available in a searchable and downloadable format all unclassified records, documents, communications, and investigative materials in the possession of the Department of Justice, including the Federal Bureau of Investigation and each United States Attorney’s Office, that relate to—

(A) Jeffrey Epstein, including all investigations, prosecutions, or custodial matters;

(B) Ghislaine Maxwell;

(C) any flight logs or travel records, including manifests, itineraries, pilot records, and customs or immigration documentation, for any aircraft, vessel, or vehicle owned, operated, or used by Jeffrey Epstein or any related entity;

(D) any individuals, including government officials, named or referenced in connection with the criminal activities, civil settlements, immunity or plea agreements, or investigatory proceedings of Jeffrey Epstein;

(E) any corporate, nonprofit, academic, or governmental entities with known or alleged ties to the trafficking or financial networks of Jeffrey Epstein;

(F) any immunity deals, non-prosecution agreements, plea bargains, or sealed settlements involving Jeffrey Epstein or his associates;

(G) any internal Department of Justice communications, including emails, memoranda, and meeting notes, concerning decisions to charge, not charge, investigate, or decline to investigate Jeffrey Epstein or his associates;

(H) any communications, memoranda, directives, logs, or metadata concerning the destruction, deletion, alteration, misplacement, or concealment of documents, recordings, or electronic data related to Jeffrey Epstein, his associates, his detention and death, or any investigative files; or

(I) any documentation of the detention or death of Jeffrey Epstein, including incident reports, witness interviews, medical examiner files, autopsy reports, and written records detailing the circumstances and cause of death.

(2) PROHIBITED GROUNDS FOR WITHHOLDING.—In carrying out paragraph (1), the Attorney General may not withhold from publication, delay the publication of, or redact any record, document, communication, or investigative material on the basis of embarrassment, reputational harm, or political sensitivity, including to any government official, public figure, or foreign dignitary.

(3) PERMITTED WITHHOLDINGS.—

(A) IN GENERAL.—In carrying out paragraph (1), the Attorney General may withhold from publication any record, document, communication, or investigative material, or redact any segregable portion of any record, document, communication, or investigative material, that—

(i) contains personally identifiable information from the personal or medical file of a victim or child witness, including information the publication of which would constitute a clearly unwarranted invasion of personal privacy;

(ii) depicts or contains child pornography, as defined in section 2256 of title 18, United States Code;

(iii) would jeopardize an active Federal investigation or ongoing Federal prosecution, if the withholding or redaction is narrowly tailored and temporary;

(iv) depicts or contains any image of the death, physical abuse, or injury of any person; or

(v) contains information that is specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and is properly classified pursuant to that Executive order.

(B) REDACTIONS.—The Attorney General shall publish in the Federal Register and submit to Congress a written justification for each redaction under subparagraph (A).

(C) DECLASSIFICATION TO THE MAXIMUM EXTENT POSSIBLE.—

(1) IN GENERAL.—The Attorney General shall declassify, to the maximum extent possible, any information that the Attorney General would otherwise withhold or redact as classified information under this subsection.

(2) UNCLASSIFIED SUMMARY.—If the Attorney General determines that information described in clause (1) may not be declassified and made available in a manner that protects the national security of the United States, including methods or sources related to national security, the Attorney General shall make publicly available an unclassified summary of the information.

(D) CLASSIFICATION OF COVERED INFORMATION.—The Attorney General shall publish in the Federal Register and submit to Congress each decision made after July 1, 2025, to classify any information that would otherwise be required to be made publicly available under paragraph (1), including the date of classification, the identity of the classifying authority, and an unclassified summary of the justification for classification.

(b) REPORT TO CONGRESS.—Not later than 15 days after making publicly available all records, documents, communications, and investigative materials under subsection (a)(1), the Attorney General shall submit to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives a report containing—

(1) a list of each category of records, documents, communications, and investigative materials made publicly available or withheld;

(2) a summary of the redactions made, including the legal basis upon which the redactions were made; and

(3) a list of each government official, public figure, or foreign dignitary named or referenced in the records, documents, communications, and investigative materials made publicly available, without redaction in accordance with subsection (a)(2).

SA 3772. Mrs. SHAHEEN submitted an amendment intended to be proposed by her to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle C of title XII, add the following:—

SEC. 1230B. LIMITATION ON AVAILABILITY OF FUNDS FOR WITHDRAWAL OF UNITED STATES ARMED FORCES FROM EASTERN EUROPE.

(a) IN GENERAL.—None of the funds authorized to be appropriated by this Act may be obligated or expended for the withdrawal of the United States Armed Forces from multinational battle groups in eastern member countries of the North Atlantic Treaty Organization, including Bulgaria, Hungary, Poland, and Romania, except as required for routine rotational movements, while maintaining not fewer than the number of forces and the types of capabilities present in such countries as of January 1, 2025, until the date that is 180 days after the date on which the Secretary of Defense and the Secretary of State jointly submit to the appropriate committees of Congress a report that indicates whether the following conditions have been met:

(1) The Russian Federation has withdrawn its military forces from occupied territories in Ukraine, Georgia, and Moldova.

(2) The Russian Federation no longer has ambitions to control territory of sovereign neighbors in its near abroad.

(3) The Secretary of Defense and the Secretary of State have appropriately consulted with the leaders of such multinational battlegroups and with the governments of each member country of the North Atlantic Treaty Organization with respect to such withdrawal of the United States Armed Forces.

(b) SUBSEQUENT REPORT.—In the case of a report under subsection (a) indicating that the conditions described in that subsection have not been met, not later than 30 days

after the date on which such report is submitted, the Secretary of Defense and the Secretary of State shall jointly submit to the appropriate committees of Congress a report that describes the manner in which—

(1) United States national security interests in the regions of Europe and Eurasia are being protected; and

(2) the security interests of United States allies that are members countries of the North Atlantic Treaty Organization are being protected.

(c) **APPROPRIATE COMMITTEES OF CONGRESS DEFINED.**—In this section, the term “appropriate committees of Congress” means—

(1) the Committee on Armed Services, the Committee on Appropriations, and the Committee on Foreign Relations of the Senate; and

(2) the Committee on Armed Services, the Committee on Appropriations, and the Committee on Foreign Affairs of the House of Representatives.

SA 3773. Mr. DURBIN (for himself and Ms. DUCKWORTH) submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle B of title V, add the following:

SEC. 515. REQUIREMENT FOR STATE CONSENT FOR TITLE 32 DEPLOYMENTS.

None of the funds authorized to be appropriated or otherwise made available by this Act may be used by the Department of Defense for any deployment of National Guard forces under title 32 of the United States Code in a State or Federal territory in which the chief executive of the state or Federal territory has not consented to such deployment.

SA 3774. Mr. DURBIN (for himself and Ms. DUCKWORTH) submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle E of title X, add the following:

SEC. 1048. PROHIBITION ON FUNDING FOR ACTIVITIES THAT WOULD VIOLATE THE POSSE COMITATUS ACT OR INFRINGE ON POWERS RESERVED TO THE STATES.

None of the funds authorized to be appropriated or otherwise made available by this Act may be used by the Department of Defense for, or in support of, any activities that would violate the Posse Comitatus Act or infringe on powers reserved to the States under the Constitution of the United States.

SA 3775. Mr. DURBIN (for himself and Ms. DUCKWORTH) submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction,

and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle B of title V, add the following:

SEC. 515. POSSE COMITATUS LIMITATIONS ON NATIONAL GUARD DEPLOYMENTS.

Section 502(f)(2)(A) of title 32, United States Code, is amended by inserting “, subject to the limitations of section 1385 of title 18, commonly referred to as the ‘Posse Comitatus Act’” after “Secretary of Defense”.

SA 3776. Mr. SULLIVAN submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle F of title X, add the following:

SEC. 1067. MEMBER BUSINESS LOAN DEFINITION.

(a) **IN GENERAL.**—Section 107A(c) of the Federal Credit Union Act (12 U.S.C. 1757a(c)) is amended—

(1) in paragraph (1)(B)—

(A) in clause (iv), by striking “or” at the end;

(B) in clause (v), by striking the period at the end and inserting “; or”; and

(C) by adding at the end the following:

“(vi) made to a veteran.”;

(2) in paragraph (2)(B)(ii), by striking “and” at the end;

(3) in paragraph (3), by striking the period at the end and inserting “; and”; and

(4) by adding at the end the following:

“(4) the term ‘veteran’ has the meaning given the term in section 101 of title 38, United States Code.”.

(b) **EFFECTIVE DATE.**—The amendments made by subsection (a) shall take effect on the date that is 180 days after the date of enactment of this Act.

SA 3777. Mr. SCOTT of South Carolina (for himself and Ms. WARREN) submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

DIVISION E—ROAD TO HOUSING ACT

SEC. 5001. SHORT TITLE.

This division may be cited as the “Renewing Opportunity in the American Dream to Housing Act of 2025” or the “ROAD to Housing Act of 2025”.

SEC. 5002. TABLE OF CONTENTS.

The table of contents for this division is as follows:

DIVISION E—ROAD TO HOUSING ACT

Sec. 5001. Short title.

Sec. 5002. Table of contents.

TITLE I—IMPROVING FINANCIAL LITERACY

Sec. 5101. Reforms to housing counseling and financial literacy programs.

TITLE II—BUILDING MORE IN AMERICA

Sec. 5201. Rental assistance demonstration program.

Sec. 5202. Increasing housing in opportunity zones.

Sec. 5203. Housing Supply Frameworks Act.

Sec. 5204. Whole-Home Repairs Act.

Sec. 5205. Community Investment and Prosperity Act.

Sec. 5206. Build Now Act.

Sec. 5207. Better Use of Intergovernmental and Local Development (BUILD) Housing Act.

Sec. 5208. Unlocking Housing Supply Through Streamlined and Modernized Reviews Act.

Sec. 5209. Innovation Fund.

Sec. 5210. Accelerating Home Building Act.

Sec. 5211. Build More Housing Near Transit Act.

Sec. 5212. Revitalizing Empty Structures Into Desirable Environments (RESIDE) Act.

Sec. 5213. Housing Affordability Act.

TITLE III—MANUFACTURED HOUSING FOR AMERICA

Sec. 5301. Housing Supply Expansion Act.

Sec. 5302. Modular Housing Production Act.

Sec. 5303. Property Improvement and Manufactured Housing Loan Modernization Act.

Sec. 5304. Price Act.

TITLE IV—ACCESSING THE AMERICAN DREAM

Sec. 5401. Creating incentives for small dollar loan originators.

Sec. 5402. Small dollar mortgage points and fees.

Sec. 5403. Appraisal Industry Improvement Act.

Sec. 5404. Helping More Families Save Act.

Sec. 5405. Choice in Affordable Housing Act.

TITLE V—PROGRAM REFORM

Sec. 5501. Reforming Disaster Recovery Act.

Sec. 5502. HOME Investment Partnerships Reauthorization and Improvement Act.

Sec. 5503. Rural Housing Service Reform Act.

Sec. 5504. New Moving to Work cohort.

Sec. 5505. Reducing Homelessness Through Program Reform Act.

Sec. 5506. Incentivizing local solutions to homelessness.

TITLE VI—VETERANS AND HOUSING

Sec. 5601. VA Home Loan Awareness Act.

Sec. 5602. Veterans Affairs Loan Informed Disclosure (VALID) Act.

Sec. 5603. Housing Unhoused Disabled Veterans Act.

TITLE VII—OVERSIGHT AND ACCOUNTABILITY

Sec. 5701. Requiring annual testimony and oversight from housing regulators.

Sec. 5702. FHA reporting requirements on safety and soundness.

Sec. 5703. United States Interagency Council on Homelessness oversight.

Sec. 5704. NeighborWorks Accountability Act.

Sec. 5705. Appraisal Modernization Act.

TITLE VIII—COORDINATION, STUDIES, AND REPORTING

Sec. 5801. HUD-USDA-VA Interagency Coordination Act.

Sec. 5802. Streamlining Rural Housing Act.

Sec. 5803. Improving self-sufficiency of families in HUD-subsidized housing.

TITLE I—IMPROVING FINANCIAL LITERACY

SEC. 5101. REFORMS TO HOUSING COUNSELING AND FINANCIAL LITERACY PROGRAMS.

(a) **IN GENERAL.**—Section 106 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x) is amended—

(1) in subsection (a)(4)(C), by striking “adequate distribution” and all that follows through “foreclosure rates” and inserting “that the recipients are geographically diverse and include organizations that serve urban or rural areas”;

(2) in subsection (e), by adding at the end the following:

“(6) PERFORMANCE REVIEW.—The Secretary—

“(A) may conduct periodic on-site reviews; and

“(B) shall conduct performance reviews of all participating agencies that—

“(i) consists of a review of the participating agency’s compliance with all program requirements; and

“(ii) may take into account the agency’s aggregate counselor performance under paragraph (7)(B).

“(7) CONSIDERATIONS.—

“(A) COVERED MORTGAGE LOAN DEFINED.—In this paragraph, the term ‘covered mortgage loan’ means any loan which is secured by a first or subordinate lien on residential real property (including individual units of condominiums and cooperatives) designed principally for the occupancy of between 1 and 4 families that is—

“(i) insured by the Federal Housing Administration under title II of the National Housing Act (12 U.S.C. 1707 et seq.); or

“(ii) guaranteed under section 184 or 184A of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a, 1715z–13b).

“(B) COMPARISON.—For each counselor employed by an organization receiving assistance under this section for pre-purchase housing counseling, the Secretary may consider the performance of the counselor compared to the default rate of all counseled borrowers of a covered mortgage loan in comparable markets and such other factors as the Secretary determines appropriate to further the purposes of this section.

“(8) CERTIFICATION.—If, based on the comparison required under paragraph (7)(B), the Secretary determines that a counselor lacks competence to provide counseling in the areas described in subsection (e)(2) and such action will not create a significant loss of capacity for housing counseling services in the service area, the Secretary may—

“(A) require continued education coupled with successful completion of a probationary period;

“(B) require retesting if the counselor continues to demonstrate a lack of competence under paragraph (7)(B); and

“(C) permanently suspend an individual certification if a counselor fails to demonstrate competence after not fewer than 2 retesting opportunities under subparagraph (B).”;

(3) in subsection (i)—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by inserting after paragraph (2) the following:

“(3) TERMINATION OF ASSISTANCE.—

“(A) IN GENERAL.—The Secretary may deny renewal of covered assistance to an organization or entity receiving covered assistance if the Secretary determines that the organization or entity, or the individual through which the organization or entity provides counseling, is not in compliance with program requirements—

“(i) based on the performance review described in subsection (e)(6); and

“(ii) in accordance with regulations issued by the Secretary.

“(B) NOTICE.—The Secretary shall give an organization or entity receiving covered assistance not less than 60 days prior written notice of any denial of renewal under this paragraph, and the determination of renewal

shall not be finalized until the end of that notice period.

“(C) INFORMAL CONFERENCE.—If requested in writing by the organization or entity within the notice period described in subparagraph (B), the organization or entity shall be entitled to an informal conference with the Deputy Assistant Secretary of Housing Counseling on behalf of the Secretary at which the organization or entity may present for consideration of specific factors that the organization or entity believes were beyond the control of the organization or entity and that caused the failure to comply with program requirements, such as a lack of lender or servicer coordination or communication with housing counseling agencies and individual counselors.”; and

(4) by adding at the end the following:

“(j) OFFERING FORECLOSURE MITIGATION COUNSELING.—

“(1) COVERED MORTGAGE LOAN DEFINED.—In this subsection, the term ‘covered mortgage loan’ means any loan which is secured by a first or subordinate lien on residential real property (including individual units of condominiums) or stock or membership in a cooperative ownership housing corporation designed principally for the occupancy of between 1 and 4 families that is—

“(A) insured by the Federal Housing Administration under title II of the National Housing Act (12 U.S.C. 1707 et seq.);

“(B) guaranteed under section 184 or 184A of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a, 1715z–13b);

“(C) made, guaranteed, or insured by the Department of Veterans Affairs; or

“(D) made, guaranteed, or insured by the Department of Agriculture.

“(2) OPPORTUNITY FOR BORROWERS.—A borrower with respect to a covered mortgage loan who is 30 days or more delinquent on payments for the covered mortgage loan shall be given an opportunity to participate in available housing counseling.

“(3) COST.—If the requirements of sections 202(a)(3) and 205(f) of the National Housing Act (12 U.S.C. 1708(a)(3), 1711(f)) are met, the fair market rate cost of counseling for delinquent borrowers described in paragraph (2) with respect to a covered mortgage loan described in paragraph (1)(A) shall be paid for by the Mutual Mortgage Insurance Fund, as authorized under section 203(r)(4) of the National Housing Act (12 U.S.C. 1709(r)(4)).”.

TITLE II—BUILDING MORE IN AMERICA

SEC. 5201. RENTAL ASSISTANCE DEMONSTRATION PROGRAM.

The language under the heading “RENTAL ASSISTANCE DEMONSTRATION” in the Department of Housing and Urban Development Appropriations Act, 2012 (Public Law 112–55; 125 Stat. 673) is amended—

(1) in the second proviso, by striking “until September 30, 2029” and inserting “for fiscal year 2012 and each fiscal year thereafter”;

(2) by striking the fourth proviso;

(3) in the twentieth proviso, as so designated before the date of enactment of this Act, by striking “or other means:” and inserting “or other means, including the adoption of a mandatory tenant lease and management plan addendum for a property with assistance converted, if not otherwise covered by another program, under this demonstration:”

(4) by striking the twenty-second proviso, as so designated before the date of enactment of this Act;

(5) in the twenty-seventh, thirtieth, thirty-first, thirty-second, thirty-third, and thirty-fourth provisos, as so designated before the date of enactment of this Act, by striking “Second Component” each place the term appears and inserting “First Component”; and

(6) by striking “vouchers to project-based vouchers.” and inserting “vouchers to project-based vouchers: *Provided further*, That the Secretary shall annually assess and publish findings regarding the impact of the conversion of assistance under the First Component of the demonstration with respect to the preservation and improvement of public housing, the amount of private sector leveraging resulting from such conversion transactions, the prevalence of pre-conversion residents remaining in or returning to the property following conversion, and the effect of such conversion on tenants, including the impact of such conversion on the rights maintained by tenants as enumerated in regulations and other documents conferring rights upon tenants as developed by the Secretary, and other matters the Secretary may determine appropriate: *Provided further*, That the Secretary may take remedial action or impose civil money penalties or other administrative sanctions for material violations of a requirement under the demonstration: *Provided further*, That nothing in the matter under this heading shall be construed to diminish, impair, or otherwise affect the rights of property owners or tenants as enumerated in current law and regulations: *Provided further*, That all property owner rights, including those related to ownership, management, and contractual obligations, shall continue to apply and be respected following a Rental Assistance Demonstration Program conversion: *Provided further*, That all tenant protections and rights established in current law and regulations shall remain fully in effect for properties converted under the Rental Assistance Demonstration Program.”.

SEC. 5202. INCREASING HOUSING IN OPPORTUNITY ZONES.

(a) COVERED GRANT DEFINED.—In this section, the term “covered grant” means any competitive grant relating to the construction, modification, rehabilitation, or preservation of housing, as determined by the Secretary of Housing and Urban Development.

(b) PRIORITY.—When awarding a covered grant, the Secretary of Housing and Urban Development may give additional weight to applicants located in, or that primarily serve, a community that has been designated as a qualified opportunity zone under section 1400Z–1 of the Internal Revenue Code of 1986.

SEC. 5203. HOUSING SUPPLY FRAMEWORKS ACT.

(a) FINDINGS.—Congress finds the following:

(1) The United States is facing a housing supply shortage. This housing supply shortage has resulted in a record number of cost-burdened households across regions and spanning the large and small cities, towns, and coastal and rural communities of the United States.

(2) Several factors contribute to the under-supply of housing in the United States, particularly workforce housing, including rising costs of construction, a shortage of labor, supply chain disruptions, and a lack of reliable funding sources.

(3) Regulatory barriers at the State and local levels, such as zoning and land use regulations, also inhibit the creation of new housing to meet local and regional housing needs.

(4) State and local governments are proactively exploring solutions for reforming regulatory barriers, but additional resources, data, and models can help adequately address these challenges.

(5) While land use regulation is the responsibility of State and local governments, there is Federal support for necessary reforms, and there is an opportunity for the Federal Government to provide support and assistance to State and local governments

that wish to undertake necessary reforms in a manner that fits their communities' needs.

(6) Therefore, zoning ordinances or systems of land use regulation that have the intent or effect of restricting housing opportunities based on economic status or income without interests that are substantial, legitimate, nondiscriminatory and that outweigh the regional need for housing are contrary to the regional and national interest.

(b) DEFINITIONS.—In this section:

(1) AFFORDABLE HOUSING.—The term “affordable housing” means housing for which the monthly payment is not more than 30 percent of the monthly income of the household.

(2) ASSISTANT SECRETARY.—The term “Assistant Secretary” means the Assistant Secretary for Policy Development and Research of the Department of Housing and Urban Development.

(3) LOCAL ZONING FRAMEWORK.—The term “local zoning framework” means the local zoning codes and other ordinances, procedures, and policies governing zoning and land-use at the local level.

(4) SECRETARY.—The term “Secretary” means the Secretary of Housing and Urban Development.

(5) STATE ZONING FRAMEWORK.—The term “State zoning framework” means the State legislation or State agency and department procedures, or such legislation or procedures in an insular area of the United States, enabling local planning and zoning authorities and establishing and guiding related policies and programs.

(c) GUIDELINES ON STATE AND LOCAL ZONING FRAMEWORKS.—

(1) ESTABLISHMENT.—Not later than 3 years after the date of enactment of this Act, the Assistant Secretary shall publish documents outlining guidelines and best practices to support production of adequate housing to meet the needs of communities and provide housing opportunities for individuals at every income level across communities with respect to—

- (A) State zoning frameworks; and
- (B) local zoning frameworks.

(2) CONSULTATION; PUBLIC COMMENT.—During the 2-year period beginning on the date of enactment of this Act, in developing the guidelines and best practices required under paragraph (1), the Assistant Secretary shall—

(A) publish draft guidelines in the Federal Register for public comment; and

(B) establish a task force for the purpose of providing consultation to draft guidelines published under subparagraph (A), the members of which shall include—

- (i) planners and architects;
- (ii) housing developers, including affordable and market-rate housing developers, manufactured housing developers, and other business interests;
- (iii) community engagement experts and community members impacted by zoning decisions;
- (iv) public housing authorities and transit authorities;
- (v) members of local zoning and planning boards and local and regional transportation planning organizations;
- (vi) State officials responsible for housing or land use, including members of State zoning boards of appeals;
- (vii) academic researchers; and
- (viii) home builders.

(3) CONTENTS.—The guidelines and best practices required under paragraph (1) shall—

(A) with respect to State zoning frameworks, outline potential models for updated State enabling legislation or State agency and department procedures;

(B) include recommendations regarding—

(i) the reduction or elimination of parking minimums;

(ii) the increase in maximum floor area ratio requirements and maximum building heights and the reduction in minimum lot sizes and set-back requirements;

(iii) the elimination of restrictions against accessory dwelling units;

(iv) increasing by-right uses, including duplex, triplex, or quadplex buildings, across cities or metropolitan areas;

(v) mechanisms, including proximity to transit, to determine the appropriate scope for rezoning and ensure development that does not disproportionately burden residents of economically distressed areas;

(vi) provisions regarding review of by-right development proposals to streamline review and reduce uncertainty, including—

(I) nondiscretionary, ministerial review; and

(II) entitlement and design review processes;

(vii) the reduction of obstacles, regulatory or otherwise, to a range of housing types at all levels of affordability, including manufactured and modular housing;

(viii) State model zoning regulations for directing local reforms, including mechanisms to encourage adoption;

(ix) provisions to encourage transit-oriented development, including increased permissible units per structure and reduced minimum lot sizes near existing or planned public transit stations;

(x) potential reforms to strengthen the public engagement process;

(xi) reforms to protest petition statutes;

(xii) the standardization, reduction, or elimination of impact fees;

(xiii) cost effective and appropriate building codes;

(xiv) models for community benefit agreements;

(xv) mechanisms to preserve affordability, limit disruption of low-income communities, and prevent displacement of existing residents;

(xvi) with respect to State zoning frameworks—

(I) State model codes for directing local reforms, including mechanisms to encourage adoption;

(II) a model for a State zoning appeals process, which would—

(aa) create a process for developers or builders requesting a variance, conditional use, special permit, zoning district change, similar discretionary permit, or otherwise petitioning a local zoning or planning board for a project including a State-defined amount of affordable housing to appeal a rejection to a State body or regional body empowered by the State; and

(bb) establish qualifications for communities to be exempted from the appeals process based on their available stock of affordable housing; and

(III) streamlining of State environmental review policies;

(xvii) with respect to local zoning frameworks—

(I) the simplification and standardization of existing zoning codes;

(II) maximum review timelines;

(III) best practices for the disposition of land owned by local governments for affordable housing development;

(IV) differentiations between best practices for rural, suburban, and urban communities, and communities with different levels of density or population distribution; and

(V) streamlining of local environmental review policies; and

(xviii) other land use measures that promote access to new housing opportunities identified by the Secretary; and

(C) consider—

(i) the effects of adopting any recommendation on eligibility for Federal discretionary grants and tax credits for the purpose of housing or community development;

(ii) coordination between infrastructure investments and housing planning;

(iii) local housing needs, including ways to set and measure housing goals and targets;

(iv) a range of affordability for rental units, with a prioritization of units attainable to extremely low-, low-, and moderate-income residents;

(v) a range of affordability for homeownership;

(vi) accountability measures;

(vii) the long-term cost to residents and businesses if more housing is not constructed;

(viii) barriers to individuals seeking to access affordable housing in growing communities and communities with economic opportunity;

(ix) with respect to State zoning frameworks—

(I) distinctions between States providing constitutional or statutory home rule authority to municipalities and States operating under the Dillon Rule, as articulated in *Hunter v. Pittsburgh*, 207 U.S. 161 (1907); and

(II) Statewide mechanisms to preserve existing affordability over the long term, including support for land banks and community land trusts;

(x) public comments elicited under paragraph (2)(A); and

(xi) other considerations, as identified by the Secretary.

(d) ABOLISHMENT OF THE REGULATORY BARRIERS CLEARINGHOUSE.—

(1) IN GENERAL.—The Regulatory Barriers Clearinghouse established pursuant to section 1205 of the Housing and Community Development Act of 1992 (42 U.S.C. 12705d) is abolished.

(2) REPEAL.—Section 1205 of the Housing and Community Development Act of 1992 (42 U.S.C. 12705d) is repealed.

(e) REPORTING.—

(1) INITIAL REPORT.—Not later than 5 years after the date on which the Assistant Secretary publishes the guidelines and best practices for State and local zoning frameworks, the Assistant Secretary shall submit to Congress a report describing—

(A) the States that have adopted recommendations from the guidelines and best practices, pursuant to subsection (c);

(B) a summary of the localities that have adopted recommendations from the guidelines and best practices, pursuant to subsection (c);

(C) a list of States that adopted a State zoning framework;

(D) a summary of the modifications that each State has made in their State zoning framework;

(E) a general summary of the types of updates localities have made to their local zoning framework;

(F) of the States that have adopted a State zoning framework or recommendations from the guidelines and best practices, the effect of such adoptions; and

(G) a summary of recommendations that were routinely not adopted by States or by localities.

(2) MONITORING.—Two years after the date which the Assistant Secretary submits to Congress the initial report required under paragraph (1), and biennially thereafter, the Secretary shall—

(A) publish a report that—

(i) provides the latest information regarding the information described in subparagraphs (A) through (G) of that paragraph;

(ii) identifies, to the greatest extent practicable, the adoption rates by States and localities of each guideline and best practice established under subsection (c);

(iii) requests and establishes a public comment period on the guidelines and best practices established under subsection (c) that are routinely not adopted or adopted at significantly lower rates by States and localities; and

(iv) includes other relevant information and criteria, as determined by the Secretary; and

(B) review and consider all public feedback to the report required under subparagraph (A) for the purpose of improving the guidelines or best practices under subsection (c) to further achieve the zoning goals stated in subsection (a).

(f) GAO REPORT ON HOUSING SUPPLY.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report that investigates barriers to housing supply, which shall include an assessment of—

(1) the current state of—

(A) the rental and homeowner housing supply shortage;

(B) geographic patterns of that shortage;

(C) shortages in housing at various levels of affordability; and

(D) shortages in housing appropriate for seniors, families with children, and people with disabilities;

(2) the key drivers of the shortages described in paragraph (1);

(3) regulatory, administrative, or procedural barriers that exist in Federal housing programs that inhibit housing development, and policy actions that can be taken to address those barriers;

(4) the extent to which jurisdictions have successfully implemented zoning or other policy reforms to increase housing production and supply; and

(5) opportunities for increasing coordination between the Department of Housing and Urban Development, the Federal Housing Finance Agency, the Department of Agriculture, the Department of the Treasury, and other agencies to address housing supply.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section such sums as may be necessary for each of fiscal years 2026 through 2030.

(h) RULE OF CONSTRUCTION.—Nothing in this section may be construed to permit the Department of Housing and Urban Development to take an adverse action against or fail to provide otherwise offered actions or services for any State or locality if the State or locality declines to adopt a guideline or best practice under subsection (c).

SEC. 5204. WHOLE-HOME REPAIRS ACT.

(a) DEFINITIONS.—In this section:

(1) AFFORDABLE UNIT.—The term “affordable unit” means a unit for which the monthly rental payment is not more than 30 percent of the gross income of an individual earning at or below 80 percent of the area median income, as defined by the Secretary.

(2) ASSISTED UNIT.—The term “assisted unit” means a unit that undergoes repair or rehabilitation work through a whole-home repairs program administered by an implementing organization under this section.

(3) ELIGIBLE HOMEOWNER.—The term “eligible homeowner” means a homeowner—

(A) with a household income that—

(i) is not more than 80 percent of the area median income; or

(ii) meets the income eligibility requirements for receiving assistance or benefits under a specified program, as defined in paragraph (11); and

(B) who is—

(i) an owner of record as evidenced by a publicly recorded deed and occupies the home on which repairs are to be conducted as their principal residence;

(ii) an owner-occupant of the manufactured home on which repairs are to be conducted; or

(iii) an owner who can demonstrate an ownership interest in the property on which repairs are to be conducted, including a person who has inherited an interest in that property.

(4) ELIGIBLE LANDLORD.—The term “eligible landlord” means an individual—

(A) who owns, as determined by the relevant implementing organization, fewer than 10 eligible rental properties, with a majority of affordable units and not more than 50 total units, operated as primary residences in which a majority ownership interest is held by the individual, the spouse of the individual, or the dependent children of the individual, or any closely held legal entity controlled by the individual, the spouse of the individual, or the dependent children of the individual, either individually or collectively; and

(B) who agrees to the provisions described in subsection (b)(3).

(5) ELIGIBLE RENTAL PROPERTY.—The term “eligible rental property” means a residential property that—

(A) is leased, or offered exclusively for lease, as a primary residence by an eligible landlord; and

(B) includes affordable units.

(6) FORGIVABLE LOAN.—The term “forgivable loan” means a loan—

(A) made to an eligible landlord;

(B) that is secured by a lien recorded against a residential property; and

(C) that may be forgiven by the implementing organization not later than the date that is 3 years after the completion of the repairs if the eligible landlord has maintained compliance with the loan agreement described in subsection (b)(3).

(7) IMPLEMENTING ORGANIZATION.—The term “implementing organization”—

(A) means a unit of general local government or a State that—

(i) will administer a whole-home repairs program through an agency, department, or other entity; or

(ii) enter into agreements with 1 or more local governments, municipal authorities, other governmental authorities, including a tribally designated housing entity, or qualified nonprofit organizations, to administer a whole-home repairs program as a sub-recipient; and

(B) does not include a redundant entity in a jurisdiction already served by a grantee under subsection (b).

(8) INDIAN TRIBE.—The term “Indian tribe” has the meaning given the term in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103).

(9) QUALIFIED NONPROFIT.—The term “qualified nonprofit” means a nonprofit organization that—

(A) has received funding, as a recipient or subrecipient, through—

(i) the Community Development Block Grant program under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.);

(ii) the HOME Investment Partnerships program under subtitle A of title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12741 et seq.);

(iii) the Lead-Based Paint Hazard Reduction grant program under section 1011 of the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4852) or a grant under the Healthy Homes Initiative administered by the Secretary pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1, 1701z-2);

(iv) the Self-Help and Assisted Homeownership Opportunity program authorized under section 11 of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 12805 note);

(v) a rural housing program under title V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.); or

(vi) the Neighborhood Reinvestment Corporation established under the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8101 et seq.);

(B) has coordinated, performed, or otherwise been engaged in weatherization, lead remediation, or home-repair work for not less than 2 years;

(C) has been certified by the Environmental Protection Agency, or by a State authorized by the Environmental Protection Agency to administer a certification program, as—

(i) eligible to carry out activities under the lead renovation, repair and painting program; or

(ii) a Home Certification Organization under the Energy Star program established by section 324A of the Energy Policy and Conservation Act (42 U.S.C. 6294a) or the WaterSense program under section 324B of that Act (42 U.S.C. 6294b), or recognized or otherwise approved by the Environmental Protection Agency as a Home Certification Organization under either of those programs; or

(D) is a community development financial institution, as defined in section 103 of the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4702).

(10) SECRETARY.—The term “Secretary” means the Secretary of Housing and Urban Development.

(11) SPECIFIED PROGRAM.—For purposes of paragraph (3)(A)(ii), the term “specified program” means any of the following:

(A) The Medicaid program established under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

(B) The State Children’s Health Insurance Program established under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.).

(C) The supplemental security income benefits program established under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.).

(D) The supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.).

(E) The temporary assistance for needy families program established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

(12) STATE.—The term “State” means—

(A) each State of the United States;

(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico;

(D) any territory or possession of the United States; and

(E) an Indian tribe.

(13) TRIBALLY DESIGNATED HOUSING ENTITY.—The term “tribally designated housing entity” has the meaning given the term in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103).

(14) WHOLE-HOME REPAIRS.—The term “whole-home repairs” means modifications, repairs, or updates to homeowner or renter-occupied units to address—

(A) physical and sensory accessibility for individuals with disabilities and older adults, such as bathroom and kitchen modifications, installation of grab bars and handrails, guards and guardrails, lifting devices, ramp additions or repairs, sidewalk addition or repair, or doorway or hallway widening;

(B) habitability and safety concerns, such as repairs needed to ensure residential units are fit for human habitation and free from defective conditions or health and safety hazards; or

(C) energy and water efficiency, resilience, and weatherization.

(b) PILOT PROGRAM.—

(1) ESTABLISHMENT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall establish a pilot program to provide grants to implementing organizations to administer a whole-home repairs program for eligible homeowners and eligible landlords.

(2) USE OF FUNDS.—An implementing organization that receives a grant under this subsection—

(A) shall provide grants to eligible homeowners to implement whole-home repairs not covered by other Federal home repair programs and up to a maximum amount per unit, which maximum amount should—

(i) reflect local construction costs and the level of repairs needed in each unit; and

(ii) be calculated and approved by the Secretary;

(B) shall provide loans, which may be forgivable, to eligible landlords to implement whole-home repairs not covered by other Federal home repair programs for individual affordable units, public and common use areas within the property, and common structural elements up to a maximum amount per unit, area, or element, as applicable, which maximum amount should—

(i) reflect local construction costs; and

(ii) be calculated and approved by the Secretary;

(C) shall evaluate, or provide assistance to eligible homeowners and eligible landlords to evaluate, whole-home repair program funds provided under this subsection with Federal, State, and local home repair programs to provide the greatest benefit to the greatest number of eligible landlords and eligible homeowners and avoid duplication of benefits and redundancies;

(D) shall ensure that—

(i) all repairs funded or facilitated through an award under this subsection have been completed;

(ii) if repairs are not completed and the plan for whole-home repairs is not updated to reflect the new scope of work, that the loan or grant is repaid on a prorated basis based on completed work; and

(iii) any unused grant or loan balance is returned to the implementing organization, and is reused by the implementing organization for a new whole-home repair grant or loan under this subsection;

(E) may use not more than 5 percent of the awarded funds to carry out related functions, including workforce training for home repair professions, which shall be related to efforts to increase the number of home repairs performed and approved by the Secretary;

(F) may use not more than 10 percent of the awarded funds for administrative expenses;

(G) shall comply with Federal accessibility requirements and standards under applicable Federal fair housing and civil rights laws and regulations, including section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); and

(H) shall ensure that rental properties assisted under subparagraph (B) shall be treated as projects assisted under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.).

(3) LOAN AGREEMENT.—In a loan agreement with an eligible landlord under this subsection, an implementing organization shall include provisions establishing that the eligible landlord shall, for each eligible rental property for which a loan is used to fund repairs under this subsection—

(A) comply with Federal accessibility requirements and standards under applicable Federal fair housing and civil rights laws and regulations, including section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); and

(B)(i) if the landlord is renting the assisted units available in the eligible rental property to tenants receiving tenant-based rental assistance under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)), under another tenant-based rental assistance program administered by the Secretary or the Secretary of Agriculture, or under a tenant-based rental subsidy provided by a State or local government, comply with the program requirements under the relevant tenant-based rental assistance program; or

(ii) if the eligible landlord is not renting to tenants receiving rental-based assistance as described in clause (i)—

(I)(aa) offer to extend the lease of current tenants on current terms, other than the terms described in subclause (iv) for not less than 3 years beginning after the completion of the repairs, unless the lease is terminated due to failure to pay rent, performance of an illegal act within the rental unit, or a violation of an obligation of tenancy that the tenants failed to correct after notice; and

(bb) if the tenant of an assisted unit moves out of the assisted unit at any point in the 3-year period following the loan agreement, maintain the unit as an affordable unit for the remainder of the 3-year period;

(II) provide documentation verifying that the property, upon completion of approved renovations, has met all applicable State and local housing and building codes;

(III) attest that the landlord has no known serious violations of renter protections that have resulted in fines, penalties, or judgments during the preceding 10 years; and

(IV) cap annual rent increases for each assisted unit at 5 percent of base rent or inflation, whichever is lower, for not less than 3 years beginning after the completion of the repairs.

(4) APPLICATION.—

(A) IN GENERAL.—An implementing organization desiring an award under this subsection shall submit to the Secretary an application that includes—

(i) the geographic scope of the whole-home repairs program to be administered by the implementing organization, including the plan to address need in any rural, suburban, or urban area within a jurisdiction;

(ii) a plan for selecting subrecipients, if applicable;

(iii) how the implementing organization plans to execute the coordination of Federal, State, and local home repair programs, including programs administered by the Department of Energy or the Department of Agriculture, to increase efficiency and reduce redundancy;

(iv) available data on the need for affordable and quality housing within the geographic scope of the whole-home repairs program, and any plans to preserve affordability through the term of the award;

(v) how the implementing organization plans to process and verify applications for grants from eligible homeowners and applications for loans from eligible landlords; and

(vi) such other information as the Secretary requires to determine the ability of an applicant to carry out a program under this subsection.

(B) CONSIDERATIONS.—In making awards under this subsection, the Secretary shall—

(i) with respect to applications submitted by States other than the District of Columbia and the territories of the United States, prioritize those applications with a demonstrated plan to—

(I) make a good faith effort to implement the pilot program in every jurisdiction; and

(II) provide non-metropolitan areas, or subrecipients serving non-metropolitan areas if applicable, with a share of total funds commensurate to their population;

(ii) aim to select applicants so that the awardees collectively span diverse geographies, with an intent to understand the impact of the pilot program under this subsection in urban, suburban, rural, and Tribal settings; and

(iii) not disqualify implementing organizations that were awarded grants under the pilot program in prior application cycles.

(5) PROGRAM INFORMATION.—The Secretary shall make available to grant recipients under this subsection information regarding existing Federal programs for which grant recipients may coordinate or provide assistance in coordinating applications for those programs in accordance with paragraph (2)(C).

(6) GRANT NUMBER.—In each year in which an award is made under this subsection, the Secretary shall award assistance to—

(A) not less than 2, and not more than 10, implementing organizations, as application numbers and funding permit; and

(B) not more than 1 implementing organization in any State.

(7) LOANS THAT ARE NOT FORGIVEN.—If a loan made by an implementing organization under paragraph (2)(B) is not forgiven, the loan repayment funds shall be reused by the implementing organization for a new whole-home repair grant or loan under this subsection, which shall remain subject to the original terms of the assistance awarded under this subsection.

(8) SUPPLEMENT, NOT SUPPLANT.—Amounts awarded under this subsection to implementing organizations shall supplement, not supplant, other Federal, State, and local funds made available to those entities.

(9) STREAMLINING PROGRAM DELIVERY AND ENSURING EFFICIENCY.—To the extent possible, in carrying out the pilot program under this subsection, the Secretary shall—

(A) endeavor to improve efficiency of service delivery, as well as the experience of and impact on the taxpayer, by encouraging programmatic collaboration and information sharing across Federal, State, and local programs for home repair or improvement, including programs administered by the Department of the Agriculture; and

(B) enhance collaboration and cross-agency streamlining efforts that reduce the burdens of multiple income verification processes and applications on the eligible homeowner, the eligible landlord, the implementing organization, and the Federal Government, including by establishing assistance application procedures for income eligibility under this subsection that recognize income eligibility determinations for assistance using any of the criteria under subsection (a)(3)(A) that have been used for assistance applications during the 1-year period preceding the date on which an eligible homeowner or eligible landlord applies for assistance under this subsection.

(10) REPORTING REQUIREMENTS.—

(A) ANNUAL REPORT.—An implementing organization that receives a grant under this subsection shall submit to the Secretary an annual report on initial funding that includes—

(i) the number of units served, including reporting on both homeownership and rental units, as well as accessible units;

(ii) the average cost per unit for modifications or repairs and the nature of those modifications or repairs, including reporting on accessibility and both homeownership and rental units;

(iii) the number of applications received, served, denied, or not completed, disaggregated by geographic area;

(iv) the aggregated demographic data of grant recipients, which may include data on income range, urban, suburban, and rural residency, age, and racial and ethnic identity;

(v) the aggregated demographic data of loan recipients, which may include data on income range, urban, suburban, and rural residency, age, and racial and ethnic identity;

(vi) an affirmation that the implementing organization has complied with the applicable regulations, including compliance with Federal accessibility requirements;

(vii) in the first year of receiving a grant, and as certified in subsequent reports, a comprehensive plan to prevent waste, fraud, and abuse in the administration of the pilot program, which shall include, at a minimum—

(I) a policy enacted and enforced by the implementing organization to monitor ongoing expenditures under this subsection and ensure compliance with applicable regulations;

(II) a policy enacted and enforced by the implementing organization to detect and deter fraudulent activity, including fraud occurring in individual projects and patterns of fraud by parties involved in the expenditure of funds under this subsection;

(III) a statement setting forth any violations detected by the implementing organization during the previous calendar year, including details about steps taken to achieve compliance and any remedial measures; and

(IV) a certification by the chief executive or most senior compliance officer of the organization that the organization maintains sufficient staff and resources to effectively carry out the above-mentioned policies; and

(viii) such other information as the Secretary may require.

(B) **REPORTING REQUIREMENT ALIGNMENT.**—To limit the costs of implementing the pilot program under this subsection, the Secretary shall endeavor, to the extent possible, to structure reporting requirements such that they align with the data reporting requirements in place for funding streams that implementing organizations are likely to use in partnership with funding from this subsection, including the reporting requirements under—

(i) the Community Development Block Grant program under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.);

(ii) the HOME Investment Partnerships program under subtitle A of title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12741 et seq.);

(iii) the Weatherization Assistance Program for low-income persons established under part A of title IV of the Energy Conservation and Production Act (42 U.S.C. 6861 et seq.); and

(iv) the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.).

(C) **PILOT PROGRAM PERIOD REPORTS.**—Not less frequently than twice during the period in which the pilot program established under this subsection operates, the Office of Inspector General of the Department of Housing and Urban Development shall complete an assessment of the implementation of

measures to ensure the fair and legitimate use of the pilot program.

(D) **SUMMARY TO CONGRESS.**—The Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives an annual report providing a summary of the data provided under subparagraphs (A) and (C) during the 1-year period preceding the report and all data previously provided under those subparagraphs.

(11) **FUNDING.**—The Secretary—

(A) is authorized to use up to \$30,000,000 of funds made available as provided in appropriations Acts for programs administered by the Office of Lead Hazard Control and Healthy Homes to carry out the pilot program under this subsection; and

(B) shall submit to the Committee on Appropriations and the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Appropriations and the Committee on Financial Services of the House of Representatives a report on the appropriations accounts from which the Secretary will derive the funding under subparagraph (A).

(12) **ENVIRONMENTAL REVIEW.**—A grant under this subsection shall be—

(A) treated as assistance for a special project for purposes of section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994 (42 U.S.C. 3547); and

(B) subject to the regulations promulgated by the Secretary to implement such section.

(13) **TERMINATION.**—The pilot program established under this subsection shall terminate on October 1, 2031.

SEC. 5205. COMMUNITY INVESTMENT AND PROFITABILITY ACT.

(a) **REVISED STATUTES.**—The paragraph designated as the “Eleventh” of section 5136 of the Revised Statutes of the United States (12 U.S.C. 24) is amended, in the fifth sentence, by striking “15” each place the term appears and inserting “20”.

(b) **FEDERAL RESERVE ACT.**—Section 9(23) of the Federal Reserve Act (12 U.S.C. 338a) is amended, in the fifth sentence, by striking “15” each place the term appears and inserting “20”.

SEC. 5206. BUILD NOW ACT.

(a) **DEFINITIONS.**—In this section:

(1) **COVERED RECIPIENT.**—The term “covered recipient” means a metropolitan city or urban county, as those terms are defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302), that receives funds under section 106.

(2) **CURRENT ANNUAL GROWTH RATE.**—The term “current annual growth rate”, with respect to an eligible recipient and a fiscal year, means the average annual percentage increase in the number of housing units in the jurisdiction of the eligible recipient, as calculated by the Secretary, during the period—

(A) beginning with the third quarter of the sixth preceding fiscal year; and

(B) ending with the third quarter of the preceding fiscal year.

(3) **ELIGIBLE RECIPIENT.**—The term “eligible recipient” means any covered recipient unless—

(A)(i) the median Small Area Fair Market Rent in the jurisdiction of the covered recipient is at or below the 60th percentile of median Small Area Fair Market Rents in the jurisdictions of all covered recipients; and

(ii) the median home value in the jurisdiction of the covered recipient is below the median home value for the United States;

(B) the annual natural rental vacancy rate in the jurisdiction of the covered recipient is greater than the national annual natural rental vacancy rate for the most recent year

available, as published by the Bureau of the Census;

(C) during the 1-year period preceding the date on which the Secretary allocates funds under section 106, the jurisdiction of the covered recipient has been the subject of a major disaster or emergency declaration under section 401 or 501, respectively, of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170, 5191); or

(D) the covered recipient lacks the legal authority to enact or update zoning and permitting ordinances.

(4) **EXTREMELY HIGH-GROWTH RECIPIENT.**—The term “extremely high-growth recipient” means an eligible recipient for which the current annual growth rate is at or above 4 percent.

(5) **HOUSING GROWTH IMPROVEMENT RATE.**—The term “housing growth improvement rate”, with respect to an eligible recipient and a fiscal year, means the quotient of—

(A)(i) the current annual growth rate of the eligible recipient, minus

(ii) the prior annual growth rate of the eligible recipient; and

(B) the sum obtained by adding the absolute values of the current annual growth rate and the prior annual growth rate of the eligible recipient.

(6) **PRIOR ANNUAL GROWTH RATE.**—The term “prior annual growth rate”, with respect to an eligible recipient and a fiscal year, means the average annual percentage increase in the number of housing units in the jurisdiction of the eligible recipient, as calculated by the Secretary, during the period—

(A) beginning with the third quarter of the 11th preceding fiscal year; and

(B) ending with the third quarter of the sixth preceding fiscal year.

(7) **SECRETARY.**—The term “Secretary” means the Secretary of Housing and Urban Development.

(8) **SECTION 106.**—The term “section 106” means section 106 of the Housing and Community Development Act of 1974 (42 U.S.C. 5306).

(b) **ADJUSTMENTS TO COMMUNITY DEVELOPMENT BLOCK GRANT ALLOCATIONS.**—

(1) **IN GENERAL.**—In allocating amounts to an eligible recipient under section 106 for a fiscal year, the Secretary shall adjust the allocation based on the housing growth improvement rate of the eligible recipient, in accordance with paragraph (2) of this subsection.

(2) **ADJUSTMENTS.**—

(A) **HOUSING GROWTH IMPROVEMENT RATE AT OR ABOVE MEDIAN; EXTREMELY HIGH-GROWTH RECIPIENTS.**—

(i) **IN GENERAL.**—If, with respect to a fiscal year for which the allocation under section 106 is being determined, the housing growth improvement rate for an eligible recipient is at or above the median housing growth improvement rate for all eligible recipients other than extremely high-growth recipients, or if an eligible recipient is an extremely high-growth recipient, the Secretary shall allocate to the eligible recipient for that fiscal year, in addition to the amount that would otherwise be allocated to the eligible recipient under section 106, a bonus amount, as determined under clause (ii) of this subparagraph.

(ii) **BONUS AMOUNT.**—For purposes of clause (i), the bonus amount for an eligible recipient for a fiscal year shall be equal to the product of—

(I) the aggregate amount by which allocations to eligible recipients are decreased under subparagraph (B) for that fiscal year; and

(II) the quotient of—

(aa) the number of housing units, as of the third quarter of the preceding fiscal year, in

the jurisdiction of the eligible recipient, as calculated by the Secretary; and

(bb) the number of housing units, as of the third quarter of the preceding fiscal year, in the jurisdictions of all eligible recipients that receive a bonus amount under this paragraph, as calculated by the Secretary.

(B) HOUSING GROWTH IMPROVEMENT RATE BELOW MEDIAN.—If, with respect to a fiscal year for which the allocation under section 106 is being determined, the housing growth improvement rate for an eligible recipient is below the median housing growth improvement rate for all eligible recipients other than high-growth outliers, the Secretary shall decrease the amount that would otherwise be allocated to the eligible recipient under section 106 for that fiscal year by 10 percent.

(c) CALCULATION OF HOUSING UNITS.—

(1) HOUSING AND URBAN DEVELOPMENT REQUIREMENTS.—In calculating the number of housing units in the jurisdiction of an eligible recipient under any provision of this section, the Secretary shall—

(A) use the Current Address Count Listing Files and other data products, as needed, of the Bureau of the Census tabulated from the Master Address File; and

(B) make calculations at the block level, using boundaries that reflect the most current boundaries.

(2) CENSUS BUREAU AND POSTAL SERVICE REQUIREMENTS.—The Bureau of the Census and the United States Postal Service shall provide any relevant data to the Secretary upon request to assist the Secretary in making a calculation described in paragraph (1).

(3) ADJUSTMENT OF CALCULATION PERIODS.—The Secretary may adjust the calculation periods under subparagraphs (A) and (B) of subsection (a)(2), subparagraphs (A) and (B) of subsection (a)(6), and items (aa) and (bb) of subsection (b)(2)(A)(ii)(II) by not more than 2 months to achieve alignment with the data provided by the Bureau of the Census.

(d) ANNUAL REPORT ON HOUSING GROWTH IMPROVEMENT RATE.—Before allocating funds under section 106 for a fiscal year, the Secretary shall publish a report that—

(1) includes the housing growth improvement rate for each eligible recipient; and

(2) lists, for the most recent fiscal year for which allocations were made under section 106—

(A) the eligible recipients that received a bonus amount under subsection (b)(2)(A); and

(B) the eligible recipients for which the allocation under section 106 was decreased under subsection (b)(2)(B) of this section.

(e) NOTIFICATION; IMPLEMENTATION DATES.—

(1) NOTIFICATION.—

(A) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Secretary shall notify each eligible recipient of the recipient's housing growth improvement rate and whether that housing growth improvement rate is above, at, or below the median housing growth improvement rate for all eligible recipients other than extremely high-growth recipients.

(B) GUIDANCE.—As part of the notification under subparagraph (A), the Secretary shall share guidance, including resources developed by the Department of Housing and Urban Development, on best practices and recommendations on policies to reduce regulatory barriers to housing and increase housing supply.

(2) IMPLEMENTATION DATES.—Subsection (b) shall take effect beginning with the third full fiscal year after the date of enactment of this Act and remain in effect through fiscal year 2043.

SEC. 5207. BETTER USE OF INTERGOVERNMENTAL AND LOCAL DEVELOPMENT (BUILD) HOUSING ACT.

(a) DESIGNATION OF ENVIRONMENTAL REVIEW PROCEDURE.—The Department of Housing and Urban Development Act (42 U.S.C. 3531 et seq.) is amended by inserting after section 12 (42 U.S.C. 3537a) the following:

“SEC. 13. DESIGNATION OF ENVIRONMENTAL REVIEW PROCEDURE.

“(a) IN GENERAL.—Except as provided in subsection (b), the Secretary may, for purposes of environmental review, decision making, and action pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and other provisions of law that further the purposes of such Act, designate the treatment of assistance administered by the Secretary as funds for a special project for purposes of section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994 (42 U.S.C. 3547).

“(b) EXCEPTION.—The designation described in subsection (a) shall not apply to assistance for which a procedure for carrying out the responsibilities of the Secretary under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and other provisions of law that further the purposes of such Act, is otherwise specified in law.”.

(b) TRIBAL ASSUMPTION OF ENVIRONMENTAL REVIEW OBLIGATIONS.—Section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994 (42 U.S.C. 3547) is amended—

(1) by striking “State or unit of general local government” each place it appears and inserting “State, Indian tribe, or unit of general local government”;

(2) in paragraph (1)(C), in the heading, by striking “STATE OR UNIT OF GENERAL LOCAL GOVERNMENT” and inserting “STATE, INDIAN TRIBE, OR UNIT OF GENERAL LOCAL GOVERNMENT”; and

(3) by adding at the end the following:

“(5) DEFINITION OF INDIAN TRIBE.—For purposes of this subsection, the term ‘Indian tribe’ means a federally recognized tribe, as defined in section 4(13)(B) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103(13)(B)).”.

SEC. 5208. UNLOCKING HOUSING SUPPLY THROUGH STREAMLINED AND MODERNIZED REVIEWS ACT.

(a) DEFINITIONS.—In this section:

(1) INFILL PROJECT.—The term “infill project” means a project that—

(A) occurs within the geographic limits of a municipality;

(B) is adequately served by existing utilities and public services as required under applicable law;

(C) is located on a site of previously disturbed land of not more than 5 acres and substantially surrounded by residential or commercial development;

(D) will repurpose a vacant or underutilized parcel of land, or a dilapidated or abandoned structure; and

(E) will serve a residential or commercial purpose.

(2) SECRETARY.—The term “Secretary” means the Secretary of Housing and Urban Development.

(b) NEPA STREAMLINING FOR HUD HOUSING-RELATED ACTIVITIES.—

(1) IN GENERAL.—The Secretary shall, in accordance with section 553 of title 5, United States Code, and section 103 of the National Environmental Policy Act of 1969 (42 U.S.C. 4333), expand and reclassify housing-related activities under the necessary administrative regulations as follows:

(A) The following housing-related activities shall be subject to regulations equivalent or substantially similar to the regulations entitled “exempt activities” as set

forth in section 58.34 of title 24, Code of Federal Regulations, as in effect on January 1, 2025:

(i) Tenant-based rental assistance.

(ii) Supportive services, including health care, housing services, permanent housing placement, day care, nutritional services, short-term payments for rent, mortgage, or utility costs, and assistance in gaining access to Federal Government and State and local government benefits and services.

(iii) Operating costs, including maintenance, security, operation, utilities, furnishings, equipment, supplies, staff training, and recruitment and other incidental costs.

(iv) Economic development activities, including equipment purchases, inventory financing, interest subsidies, operating expenses, and similar costs not associated with construction or expansion of existing operations.

(v) Activities to assist homebuyers to purchase existing dwelling units or dwelling units under construction, including closing costs and down payment assistance, interest rate buydowns, and similar activities that result in the transfer of title.

(vi) Affordable housing pre-development costs related to obtaining site options, project financing, administrative costs and fees for loan commitment, zoning approvals, and other related activities that do not have a physical impact.

(vii) Approval of supplemental assistance, including insurance or guarantee, to a project previously approved by the Secretary.

(viii) Emergency homeowner or renter assistance for HVAC, hot water heaters, and other necessary uses of existing utilities required under applicable law.

(B) The following housing-related activities shall be subject to regulations equivalent or substantially similar to the regulations entitled, (i) “categorical exclusions not subject to section 58.5” and (ii) “categorical exclusions not subject to the Federal laws and authorities cited in sections 50.4” in section 58.35(b) and section 50.19, respectively of title 24, Code of Federal Regulations, as in effect on January 1, 2025, if such activities do not materially alter environmental conditions and do not materially exceed the original scope of the project:

(i) Acquisition, repair, improvement, reconstruction, or rehabilitation of public facilities and improvements (other than buildings) if the facilities and improvements are in place and will be retained in the same use without change in size or capacity of more than 20 percent, including replacement of water or sewer lines, reconstruction of curbs and sidewalks, and repaving of streets.

(ii) Rehabilitation of 1-to-4 unit residential buildings, and existing housing-related infrastructure, such as repairs or rehabilitation of existing wells, septic, or utility lines that connect to that housing.

(iii) New construction, development, demolition, acquisition, or disposition on up to 4 scattered site existing dwelling units where there is a maximum of 4 units on any 1 site.

(iv) Acquisitions (including leasing) or disposition of, or equity loans on an existing structure, or acquisition (including leasing) of vacant land if the structure or land acquired, financed, or disposed of will be retained for the same use.

(C) The following housing-related activities shall be subject to regulations equivalent or substantially similar to the regulations entitled, (i) “categorical exclusions subject to section 58.5” and (ii) “categorical exclusions subject to the Federal laws and authorities cited in sections 50.4” in section 58.35(a) and section 50.20, respectively, of title 24, Code of Federal Regulations, as in effect on January 1, 2025, if such activities do

not materially alter environmental conditions and do not materially exceed the original scope of the project:

(i) Acquisitions of open space or residential property, where such property will be retained for the same use or will be converted to open space to help residents relocate out of an area designated as a high-risk area by the Secretary.

(ii) Conversion of existing office buildings into residential development, subject to—

(I) a maximum number of units to be determined by the Secretary; and

(II) a limitation on the change in building size of not more than 20 percent.

(iii) New construction, development, demolition, acquisition, or disposition on 5 to 15 dwelling units where there is a maximum of fifteen units on any 1 site. The units can be 15 1-unit buildings or 1 15-unit building, or any combination in between.

(iv) New construction, development, demolition, acquisition, or disposition on 15 or more housing units developed on scattered sites when there are not more than 15 housing units on any 1 site, and the sites are more than a set number of feet apart as determined by the Secretary.

(v) Rehabilitation of buildings and improvements in the case of a building for residential use with 5 to 15 units, if the density is not increased beyond 15 units and the land use is not changed.

(vi) Infill projects consisting of new construction, rehabilitation, or development of residential housing units.

(vii) The voluntary acquisition of properties—

(I) located in a—

(aa) floodway;

(bb) floodplain; or

(cc) other area, clearly delineated by the grantee; and

(II) that have been impacted by a predictable environmental threat to the safety and well-being of program beneficiaries caused or exacerbated by a federally declared disaster.

(c) **REPORT.**—The Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives an annual report during the 5-year period beginning on the date that is 2 years after the date of enactment of this Act that provides a summary of findings of reductions in review times and administrative cost reduction, with a particular focus on the affordable housing sector, as a result of the actions set forth in this section, and any recommendations of the Secretary for future congressional action with respect to revising categorical exclusions or exemptions under title 24, Code of Federal Regulations.

SEC. 5209. INNOVATION FUND.

(a) **DEFINITIONS.**—In this section:

(1) **ATTAINABLE HOUSING.**—The term “attainable housing” means housing that—

(A) serves—

(i) a majority of households with income not greater than 80 percent of area median income; and

(ii) households with income not greater than 100 percent of area median income; or

(B) serves—

(i) a majority of households with income not greater than 60 percent of area median income; and

(ii) households with income not greater than 120 percent of area median income.

(2) **ELIGIBLE ENTITY.**—The term “eligible entity” means—

(A) a metropolitan city or urban county, as those terms are defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302), that has demonstrated an objective improvement in housing supply growth, as determined by the Secretary,

whose methodology for determining such growth is published in the Federal Register to allow for public comment not less than 90 days before date on which the notice of funding opportunity is made available; or

(B) a unit of general local government or Indian tribe, as those terms are defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302), that has demonstrated an objective improvement in housing supply growth, as determined by the Secretary, whose methodology for determining such improvement is published in the Federal Register to allow for public comment not less than 90 days before the date on which the notice of funding opportunity is made available.

(3) **SECRETARY.**—The term “Secretary” means the Secretary of Housing and Urban Development.

(b) **ESTABLISHMENT OF A GRANT PROGRAM.**—

(1) **ESTABLISHMENT.**—Not later than 1 year after the date of enactment of this Act, the Secretary shall establish a program to award grants on a competitive basis to eligible entities that have increased their local housing supply.

(2) **LIST OF ELIGIBLE ENTITIES.**—The Secretary shall make a list of eligible entities publicly available on the website of the Department of Housing and Urban Development.

(3) **ELIGIBLE PURPOSES.**—An eligible entity receiving a grant under this section may use funds to—

(A) carry out any of the activities described in section 105 of the Housing and Community Development Act of 1974 (42 U.S.C. 5305);

(B) carry out any of the activities permitted under the Local and Regional Project Assistance Program established under section 6702 of title 49, United States Code;

(C) serve as matching funds under a State revolving fund program related to a clean water or drinking water program administered by the Environmental Protection Agency in which the eligible entity is the grantee under that program, unless otherwise determined by the Secretary; and

(D) carry out initiatives of the eligible entity that facilitate the expansion of the supply of attainable housing and that supplement initiatives the eligible entity has carried out, or is in the process of carrying out, as specified in the application submitted under paragraph (4).

(4) **APPLICATION.**—

(A) **IN GENERAL.**—An eligible entity seeking a grant under this section shall submit to the Secretary an application that provides—

(i) a description of each purpose for which the eligible entity will use the grant, and an attestation that the grant will be used only for 1 or more eligible purposes described in paragraph (3);

(ii) data on characteristics of increased housing supply during the 3-year period ending on the date on which the application is submitted, which may include whether such housing—

(I) serves households at a range of income levels; and

(II) has improved the quality and affordability of housing in the jurisdiction of the eligible entity;

(iii) a description of how each eligible purpose described in clause (i) may address a community need or advance an objective, or an aspect of an objective, included in the comprehensive housing affordability strategy and community development plan of the eligible entity under part 91 of title 24, Code of Federal Regulations, or any successor regulation (commonly referred to as a “consolidated plan”); and

(iv) a description of how the eligible entity has carried out, or is in the process of carrying out, initiatives that facilitate the expansion of the supply of housing.

(B) **INITIATIVES.**—Initiatives that meet the criteria described in paragraph (3)(D) include—

(i) increasing by-right uses, including duplex, triplex, quadplex, and multifamily buildings, in areas of opportunity;

(ii) revising or eliminating off-street parking requirements to reduce the cost of housing production;

(iii) revising minimum lot size requirements, floor area ratio requirements, setback requirements, building heights, and bans or limits on construction to allow for denser and more affordable development;

(iv) instituting incentives to promote dense development;

(v) passing zoning overlays or other ordinances that enable the development of mixed-income housing;

(vi) streamlining regulatory requirements and shortening processes, increasing code enforcement and permitting capacity, reforming zoning codes, or other initiatives that reduce barriers to increasing housing supply and affordability;

(vii) eliminating restrictions against accessory dwelling units and expanding their by-right use;

(viii) using local tax incentives or public financing to promote development of attainable housing;

(ix) streamlining environmental regulations;

(x) eliminating unnecessary manufactured-housing regulations and restrictions;

(xi) minimizing the impact of overburdened energy and water efficiency standards on housing costs; and

(xii) other activities that reduce cost of construction, as determined by the Secretary.

(5) **GRANTS.**—

(A) **IN GENERAL.**—The Secretary shall make not fewer than 25 grants on an annual basis (unless amounts appropriated to provide grant amounts consistent with subsection (b) are insufficient, in which case fewer grants may be awarded), with strong consideration of different geographical areas and a relatively even spread of rural, suburban, and urban communities.

(B) **LIMITATIONS ON AWARDS.**—No grant awarded under this paragraph may be—

(i) more than \$10,000,000; or

(ii) less than \$250,000.

(C) **PRIORITY.**—When awarding grants under this paragraph, the Secretary shall give priority to an eligible entity that has—

(i) demonstrated the use of innovative policies, interventions, or programs for increasing housing supply, including adoption of any of the frameworks developed under section 203; and

(ii) demonstrated a marked improvement in housing supply growth.

(D) **GRANT ADMINISTRATION AND TERMS.**—Projects assisted under this section for activities described in sector 23 of the North American Industry Classification System shall be treated as projects assisted under the Community Development Block Grant program under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.).

(c) **RULES OF CONSTRUCTION.**—Nothing in this section shall be construed—

(1) to authorize the Secretary to mandate, supersede, or preempt any local zoning or land use policy; or

(2) to affect the requirements of section 105(c)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(c)(1)).

(d) **AUTHORIZATION OF APPROPRIATIONS.**—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section \$200,000,000 for each of fiscal years 2027 through 2031.

(2) ADJUSTMENT.—The amount authorized to be appropriated under paragraph (1) shall be adjusted for inflation based on the Consumer Price Index.

SEC. 5210. ACCELERATING HOME BUILDING ACT.

(a) DEFINITIONS.—In this section:

(1) AFFORDABLE HOUSING.—The term “affordable housing” means housing for which the total monthly housing cost payment is not more than 30 percent of the monthly household income for a household earning not more than 80 percent of the area median income.

(2) COVERED STRUCTURE.—The term “covered structure” means—

(A) a low-rise or mid-rise structure with not more than 25 dwelling units; and

(B) includes—

(i) an accessory dwelling unit;

(ii) infill development;

(iii) a duplex;

(iv) a triplex;

(v) a fourplex;

(vi) a cottage court;

(vii) a courtyard building;

(viii) a townhouse;

(ix) a multiplex; and

(x) any other structure with not less than 2 dwelling units that the Secretary considers appropriate.

(3) ELIGIBLE ENTITY.—The term “eligible entity” means—

(A) a unit of general local government, as defined in section 102(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a));

(B) a municipal membership organization; and

(C) an Indian tribe, as defined in section 102(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)).

(4) HIGH OPPORTUNITY AREA.—The term “high opportunity area” has the meaning given the term in section 1282.1 of title 12, Code of Federal Regulations, or any successor regulation.

(5) INFILL DEVELOPMENT.—The term “infill development” means residential development on small parcels in previously established areas for replacement by new or refurbished housing that utilizes existing utilities and infrastructure.

(6) MIXED-INCOME HOUSING.—The term “mixed-income housing” means a housing development that is comprised of housing units that promote differing levels of affordability in the community.

(7) PRE-REVIEWED DESIGNS.—The term “pre-reviewed designs”, also known as pattern books, means sets of construction plans that are assessed and approved by localities for compliance with local building and permitting standards to streamline and expedite approval pathways for housing construction.

(8) RURAL AREA.—The term “rural area” means any area other than a city or town that has a population of less than 50,000 inhabitants.

(9) SECRETARY.—The term “Secretary” means the Secretary of Housing and Urban Development.

(b) AUTHORITY.—The Secretary may award grants to eligible entities to select pre-reviewed designs of covered structures of mixed-income housing for use in the jurisdiction of the eligible entity, except that such grant awards may not be used for construction, alteration, or repair work.

(c) CONSIDERATIONS.—In reviewing applications submitted by eligible entities for a grant under this section, the Secretary shall consider—

(1) the need for affordable housing by the eligible entity;

(2) the presence of high opportunity areas in the jurisdiction of the eligible entity;

(3) coordination between the eligible entity and a State agency; and

(4) coordination between the eligible entity and State, local, and regional transportation planning authorities.

(d) SET-ASIDE FOR RURAL AREAS.—Of the amount made available in each fiscal year for grants under this section, the Secretary shall ensure that not less than 10 percent shall be used for grants to eligible entities that are located in rural areas.

(e) REPORTS.—The Secretary shall require eligible entities receiving grants under this section to report on—

(1) the impacts of the activities carried out using the grant amounts in improving the production and supply of affordable housing;

(2) the pre-reviewed designs selected using the grant amounts in their communities;

(3) the number of permits issued for housing development utilizing pre-reviewed designs; and

(4) the number of housing units produced in developments utilizing the pre-reviewed designs.

(f) AVAILABILITY OF INFORMATION.—The Secretary shall—

(1) to the extent possible, encourage localities to make publicly available through a website information on the pre-reviewed designs selected and submitted to the Secretary by eligible entities receiving grants under this section, including information on the benefits of use of those designs; and

(2) collect, identify, and disseminate best practices regarding such designs and make such information publicly available on the website of the Department of Housing and Urban Development.

(g) DESIGN ADOPTION AND REPAYMENT.—The Secretary may require an eligible entity to return to the Secretary any grant funds received under this section if the selected pre-reviewed designs submitted under this section have not been adopted during the 5-year period following receipt of the grant, unless that period is extended by the Secretary.

(h) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to the Secretary such sums as are necessary to carry out this section.

(2) TECHNICAL ASSISTANCE.—The Secretary may set aside not more than 5 percent of amounts appropriated under paragraph (1) in a fiscal year to provide technical assistance to grant recipients under this section and pre-grant technical assistance for prospective applicants.

SEC. 5211. BUILD MORE HOUSING NEAR TRANSIT ACT.

Section 5309 of title 49, United States Code, is amended—

(1) in subsection (a)—

(A) by redesignating paragraph (6) as paragraph (7); and

(B) by inserting after paragraph (5) the following:

“(6) PRO-HOUSING POLICY.—The term ‘pro-housing policy’—

“(A) means any adopted State or local policy that will remove regulatory barriers to the construction or preservation of housing units, including affordable housing units; and

“(B) shall include any adopted State or local policy that—

“(i) reduces or eliminates parking minimums;

“(ii) establishes a by-right approval process for housing under which land use development approval is limited to determining that the development meets objective zoning and design standards that—

“(I) involve no subjective judgment by a public official;

“(II) are uniformly verifiable by reference to an external and uniform benchmark or

criterion available to both the land use developer and the public official prior to submission; and

“(III) include only such standards as are published and adopted by ordinance or resolution by a jurisdiction before submission of a development application;

“(iii) reduces or eliminates minimum lot sizes;

“(iv) eliminates or raises residential property height limits or increases the number of dwelling units permitted to be constructed under a by-right approval process; or

“(v) carries out other policies as determined by the Secretary, in consultation with the Secretary of Housing and Urban Development.”;

(2) in subsection (g)(2), by adding at the end the following:

“(D) ELIGIBILITY FOR ADJUSTMENT OF RATING FOR PROJECT JUSTIFICATION CRITERIA FOR PRO-HOUSING POLICIES; CONSIDERATIONS.—In evaluating and rating a project as a whole for project justification under subparagraph (A), the Secretary—

“(i) may increase 1 point on the 5-point scale (high, medium-high, medium, medium-low, or low) the rating of a project if the applicant submits documented evidence of pro-housing policies for areas accessible to transit facilities along the project route; and

“(ii) should consider whether the pro-housing policies documented by the applicant will result, through new production and preservation, in an amount of housing units, including housing units affordable below the area median income, that is appropriate to expected housing demand in the project area.

(E) CONSULTATION.—In developing the evaluation process that could lead to the increased rating described in subparagraph (D)(i), the Secretary shall consult with the Secretary of Housing and Urban Development.”;

(3) in subsection (h)(6), by adding at the end the following:

“(C) ELIGIBILITY FOR ADJUSTMENT OF RATING FOR PROJECT JUSTIFICATION CRITERIA FOR PRO-HOUSING POLICIES; CONSIDERATIONS.—In evaluating and rating the benefits of a project under subparagraph (A), the Secretary—

“(i) may increase the rating of a project if the applicant submits documented evidence of pro-housing policies for areas accessible to transit facilities along the project route; and

“(ii) should consider whether the pro-housing policies documented by the applicant will result, through new production and preservation, in an amount of housing units, including housing units affordable below the area median income, that is appropriate to expected housing demand in the project area.

(D) CONSULTATION.—In developing the evaluation process that could lead to the increased rating described in subparagraph (C)(i), the Secretary shall consult with the Secretary of Housing and Urban Development.”; and

(4) in subsection (o)—

(A) in paragraph (1)—

(i) in subparagraph (B), by striking “and” at the end;

(ii) in subparagraph (C), by striking the period at the end and inserting “; and”; and

(iii) by adding at the end the following:

“(D) information concerning projects for which the applicant submitted pro-housing policies under subsection (g)(2)(D) or subsection (h)(6) and received an adjustment of rating for project justification.”.

SEC. 5212. REVITALIZING EMPTY STRUCTURES INTO DESIRABLE ENVIRONMENTS (RESIDE) ACT.

(a) IN GENERAL.—Subtitle A of title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12741 et seq.) is amended by adding at the end the following:

“SEC. 227. REVITALIZING EMPTY STRUCTURES INTO DESIRABLE ENVIRONMENTS.

“(a) DEFINITIONS.—In this section:

“(1) **ATTAINABLE HOUSING.**—The term ‘attainable housing’ means housing that—

“(A) serves households earning not more than 100 percent of the area median income, if a majority of the housing units are affordable to households earning not more than 80 percent of the area median income; or

“(B) serves households earning not more than 120 percent of the area median income, if the majority of the housing units are affordable to households earning not more than 60 percent of the area median income.

“(2) **CONVERTED HOUSING UNIT.**—The term ‘converted housing unit’ means a housing unit that is created using a covered grant.

“(3) **COVERED GRANT.**—The term ‘covered grant’ means a grant awarded under the Pilot Program.

“(4) **ELIGIBLE ENTITY.**—The term ‘eligible entity’ means a participating jurisdiction.

“(5) **PILOT PROGRAM.**—The term ‘Pilot Program’ means the Blighted Building to Housing Conversion Program carried out under subsection (b).

“(6) **VACANT AND ABANDONED BUILDING.**—The term ‘vacant and abandoned building’ means a property—

“(A) that was constructed for use as a warehouse, factory, mall, strip mall, or hotel, or for another industrial or commercial use; and

“(B)(i) with respect to which—

“(I) a code enforcement inspection has determined that the property is not safe; and

“(II) not less than 90 days have elapsed since the owner was notified of the deficiencies in the property and the owner has taken no corrective action; or

“(ii) that is subject to a court-ordered receivership or nuisance abatement related to abandonment pursuant to State or local law or otherwise meets the definition of an abandoned property under State law.

“(b) **GRANT PROGRAM.**—For each of fiscal years 2027 through 2031, if the amounts made available to carry out the this subtitle exceed \$1,350,000,000, the Secretary may use not more than \$100,000,000 of the excess amounts to carry out a pilot program, to be known as the ‘Blighted Building to Housing Conversion Program’, under which the Secretary awards grants on a competitive basis to eligible entities to convert vacant and abandoned buildings into attainable housing.

“(c) **AMOUNT OF GRANT.**—

“(1) **IN GENERAL.**—For any fiscal year for which \$100,000,000 is available to carry out the Pilot Program pursuant to subsection (b), the amount of a covered grant shall be not less than \$1,000,000 and not more than \$10,000,000.

“(2) **FISCAL YEARS WITH LOWER FUNDING.**—For any fiscal year for which less than \$100,000,000 is available to carry out the Pilot Program pursuant to subsection (b), the Secretary shall seek to maximize the number of covered grants awarded.

“(d) **RELATION TO FORMULA ALLOCATION.**—A covered grant awarded to an eligible entity shall be in addition to, and shall not affect, the formula allocation for the eligible entity under section 217.

“(e) **PRIORITY.**—In awarding covered grants, the Secretary shall give priority to an eligible entity that—

“(1) will use the covered grant in a community that is experiencing economic distress;

“(2) will use the covered grant in a qualified opportunity zone (as defined in section 1400Z-1(a) of the Internal Revenue Code of 1986);

“(3) will use the covered grant to construct housing that will serve a need identified in the comprehensive housing affordability strategy and community development plan

of the eligible entity under part 91 of title 24, Code of Federal Regulations, or any successor regulation (commonly referred to as a ‘consolidated plan’); or

“(4) has enacted ordinances to reduce regulatory barriers to conversion of vacant and abandoned buildings to housing, which shall not include any alteration of an ordinance that governs safety and habitability.

“(f) **USE OF FUNDS.**—An eligible entity may use a covered grant for—

“(1) property acquisition;

“(2) demolition;

“(3) health hazard remediation;

“(4) site preparation;

“(5) construction, renovation, or rehabilitation; or

“(6) the establishment, maintenance, or expansion of community land trusts.

“(g) **WAIVER AUTHORITY.**—In administering covered grants, the Secretary may waive, or specify alternative requirements for, any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by eligible entities of covered grant funds (except for requirements related to fair housing, non-discrimination, labor standards, or the environment) if the Secretary makes a public finding that good cause exists for the waiver or alternative requirement.

“(h) **STUDY; REPORT.**—Not later than 180 days after the termination of the Pilot Program, the Secretary shall study and submit a report to Congress on the impact of the Pilot Program on—

“(1) improving the tax base of local communities;

“(2) increasing access to affordable housing, especially for elderly individuals, disabled individuals, and veterans;

“(3) increasing homeownership; and

“(4) removing blight.”.

(b) **TECHNICAL AND CONFORMING AMENDMENT.**—The table of contents in section 1(b) of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625; 104 Stat. 4079) is amended by inserting after the item relating to section 226 the following:

“Sec. 227. Revitalizing empty structures into desirable environments.”.

SEC. 5213. HOUSING AFFORDABILITY ACT.

(a) **MULTIFAMILY LOAN LIMIT STUDY.**—The Commissioner of the Federal Housing Administration, in consultation with the Secretary of the Department of Housing and Urban Development, shall conduct a study to assess—

(1) whether current multifamily loan limits for each multifamily mortgage insurance program are set at appropriate amounts, including to cover the cost of land and construction;

(2) whether the Commissioner has sufficient authority to set loan limits for each multifamily mortgage insurance program at appropriate amounts, including to cover the cost of land and construction;

(3) the potential impacts of altering the calculation of annual adjustments under section 206A of the National Housing Act (12 U.S.C. 1712a) using the percentage change in the Consumer Price Index for All Urban Consumers to instead use the percentage change in the Price Deflator Index of Multifamily Residential Units Under Construction released by the Bureau of the Census from March of the previous year to March of the year in which the adjustment is made, or a combination thereof, including—

(A) the impact on the General Insurance and Special Risk Insurance Fund;

(B) the availability of multifamily purchase and construction lending;

(C) the impact on prices, including rental prices, within the multifamily housing market; and

(D) the impact on housing supply.

(b) **REPORT.**—The Commissioner of the Federal Housing Administration shall submit a report to Congress within 180 days of enactment of this Act summarizing its findings under the study in subsection (a).

(c) **RULEMAKING.**—The Secretary of Housing and Urban Development may, in consultation with the Commissioner of the Federal Housing Administration, conduct notice and comment rulemaking to increase multifamily loan limits in a manner that would not exceed the following:

(1) With respect to insurance under section 207 of the National Housing Act (12 U.S.C. 1713)—

(A) for projects that do not consist of elevator-type structures—

(i) \$83,655 per family unit without a bedroom;

(ii) \$92,664 per family unit with one bedroom;

(iii) \$110,682 per family unit with two bedrooms;

(iv) \$136,422 per family unit with three bedrooms; and

(v) \$154,440 per family unit with four or more bedrooms; and

(B) for projects that consist of elevator-type structures—

(i) \$96,525 per family unit without a bedroom;

(ii) \$108,108 per family unit with one bedroom;

(iii) \$132,561 per family unit with two bedrooms;

(iv) \$166,023 per family unit with three bedrooms; and

(v) \$187,721.50 per family unit with four or more bedrooms.

(2) With respect to insurance under section 213 of the National Housing Act (12 U.S.C. 1715e)—

(A) for projects that do not consist of elevator-type structures—

(i) \$90,665.50 per family unit without a bedroom;

(ii) \$104,524 per family unit with one bedroom;

(iii) \$126,060 per family unit with two bedrooms;

(iv) \$161,354.50 per family unit with three bedrooms; and

(v) \$179,757.50 per family unit with four or more bedrooms; and

(B) for projects that consist of elevator-type structures—

(i) \$96,525 per family unit without a bedroom;

(ii) \$109,362 per family unit with one bedroom;

(iii) \$132,981 per family unit with two bedrooms;

(iv) \$172,033.50 per family unit with three bedrooms; and

(v) \$188,839 per family unit with four or more bedrooms.

(3) With respect to insurance under section 220 of the National Housing Act (12 U.S.C. 1715k)—

(A) for projects that do not consist of elevator-type structures—

(i) \$83,655 per family unit without a bedroom;

(ii) \$92,664 per family unit with one bedroom;

(iii) \$110,682 per family unit with two bedrooms;

(iv) \$136,422 per family unit with three bedrooms; and

(v) \$154,440 per family unit with four or more bedrooms; and

(B) for projects that consist of elevator-type structures—

(i) \$96,525 per family unit without a bedroom;

(ii) \$108,108 per family unit with one bedroom;

(iii) \$132,561 per family unit with two bedrooms;

(iv) \$161,023 per family unit with three bedrooms; and

(v) \$187,721.50 per family unit with four or more bedrooms.

(4) With respect to insurance under section 221 of the National Housing Act (12 U.S.C. 1715l)—

(A) for projects that do not consist of elevator-type structures—

(i) \$83,254.50 per family unit without a bedroom;

(ii) \$94,498.50 per family unit with one bedroom;

(iii) \$114,224 per family unit with two bedrooms;

(iv) \$143,372 per family unit with three bedrooms; and

(v) \$162,461 per family unit with four or more bedrooms; and

(B) for projects that consist of elevator-type structures—

(i) \$89,927 per family unit without a bedroom;

(ii) \$103,090 per family unit with one bedroom;

(iii) \$125,354 per family unit with two bedrooms;

(iv) \$162,162 per family unit with three bedrooms; and

(v) \$178,008.50 per family unit with four or more bedrooms.

(5) With respect to insurance under section 231 of the National Housing Act (12 U.S.C. 1715v)—

(A) for projects that do not consist of elevator-type structures—

(i) \$83,254.50 per family unit without a bedroom;

(ii) \$94,498.50 per family unit with one bedroom;

(iii) \$114,224 per family unit with two bedrooms;

(iv) \$143,372 per family unit with three bedrooms; and

(v) \$162,461 per family unit with four or more bedrooms; and

(B) for projects that consist of elevator-type structures—

(i) \$89,927 per family unit without a bedroom;

(ii) \$103,090 per family unit with one bedroom;

(iii) \$125,354 per family unit with two bedrooms;

(iv) \$162,162 per family unit with three bedrooms; and

(v) \$178,008.50 per family unit with four or more bedrooms.

(6) With respect to insurance under section 234 of the National Housing Act (12 U.S.C. 1715y)—

(A) for projects that do not consist of elevator-type structures—

(i) \$92,505.50 per family unit without a bedroom;

(ii) \$106,658 per family unit with one bedroom;

(iii) \$128,631.50 per family unit with two bedrooms;

(iv) \$164,648 per family unit with three bedrooms; and

(v) \$183,425 per family unit with four or more bedrooms; and

(B) for projects that consist of elevator-type structures—

(i) \$97,350 per family unit without a bedroom;

(ii) \$111,593 per family unit with one bedroom;

(iii) \$135,696 per family unit with two bedrooms;

(iv) \$175,544.50 per family unit with three bedrooms; and

(v) \$192,693.50 per family unit with four or more bedrooms.

(d) RULE OF CONSTRUCTION.—Nothing in this section or the amendment made by this section shall be construed to limit the authority of the Secretary of Housing and Urban Development to revise the statutory exceptions for high-cost percentage and high-cost areas annual indexing.

TITLE III—MANUFACTURED HOUSING FOR AMERICA

SEC. 5301. HOUSING SUPPLY EXPANSION ACT.

(a) IN GENERAL.—Section 603(6) of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5402(6)) is amended by striking “on a permanent chassis” and inserting “with or without a permanent chassis”.

(b) MANUFACTURED HOME CERTIFICATIONS.—Section 604 of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5403) is amended by adding at the end the following:

“(1) MANUFACTURED HOME CERTIFICATIONS.—

“(1) IN GENERAL.—

“(A) INITIAL CERTIFICATION.—Subject to subparagraph (B), not later than 1 year after the date of enactment of the Renewing Opportunity in the American Dream to Housing Act of 2025, a State shall submit to the Secretary an initial certification that the laws and regulations of the State—

“(i) treat any manufactured home in parity with a manufactured home (as defined and regulated by the State); and

“(ii) subject a manufactured home without a permanent chassis to the same laws and regulations of the State as a manufactured home built on a permanent chassis, including with respect to financing, title, insurance, manufacture, sale, taxes, transportation, installation, and other areas as the Secretary determines, after consultation with and approval by the consensus committee, are necessary to give effect to the purpose of this section.

“(B) STATE PLAN SUBMISSION.—Any State plan submitted under subparagraph (C) shall contain the required State certification under subparagraph (A) and, if contained therein, no additional or State certification under subparagraph (A) or paragraph (3).

“(C) EXTENDED DEADLINE.—With respect to a State with a legislature that meets biennially, the deadline for the submission of the initial certification required under subparagraph (A) shall be 2 years after the date of enactment of the Renewing Opportunity in the American Dream to Housing Act of 2025.

“(D) LATE CERTIFICATION.—

“(i) NO WAIVER.—The Secretary may not waive the prohibition described in paragraph (5)(B) with respect to a certification submitted after the deadline under subparagraph (A) or paragraph (3) unless the Secretary approves the late certification.

“(ii) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to prevent a State from submitting the initial certification required under subparagraph (A) after the required deadline under that subparagraph.

“(2) FORM OF STATE CERTIFICATION NOT PRESENTED IN A STATE PLAN.—The initial certification required under paragraph (1)(A), if not submitted with a State plan under paragraph (1)(B), shall contain, in a form prescribed by the Secretary, an attestation by an official that the State has taken the steps necessary to ensure the veracity of the certification required under paragraph (1)(A), including, as necessary, by—

“(A) amending the definition of ‘manufactured home’ in the laws and regulations of the State; and

“(B) directing State agencies to amend the definition of ‘manufactured home’ in regulations.

“(3) ANNUAL RECERTIFICATION.—Not later than a date to be determined by the Secretary each year, a State shall submit to the Secretary an additional certification that—

“(A) confirms the accuracy of the initial certification submitted under subparagraph (A) or (B) of paragraph (1); and

“(B) certifies that any new laws or regulations enacted or adopted by the State since the date of the previous certification does not change the veracity of the initial certification submitted under paragraph (1)(A).

“(4) LIST.—The Secretary shall publish and maintain in the Federal Register and on the website of the Department of Housing and Urban Development a list of States that are up-to-date with the submission of initial and subsequent certifications required under this subsection.

“(5) PROHIBITION.—

“(A) DEFINITION.—In this paragraph, the term ‘covered manufactured home’ means a home that is—

“(i) not considered a manufactured home under the laws and regulations of a State because the home is constructed without a permanent chassis;

“(ii) considered a manufactured home under the definition of the term in section 603; and

“(iii) constructed after the date of enactment of the Renewing Opportunity in the American Dream to Housing Act of 2025.

“(B) BUILDING, INSTALLATION, AND SALE.—If a State does not submit a certification under paragraph (1)(A) or (3) by the date on which those certifications are required to be submitted—

“(i) with respect to a State in which the State administers the installation of manufactured homes, the State shall prohibit the manufacture, installation, or sale of a covered manufactured home within the State; and

“(ii) with respect to a State in which the Secretary administers the installation of manufactured homes, the State and the Secretary shall prohibit the manufacture, installation, or sale of a covered manufactured home within the State.”.

(c) OTHER FEDERAL LAWS REGULATING MANUFACTURED HOMES.—The Secretary of Housing and Urban Development may coordinate with the heads of other Federal agencies to ensure that Federal agencies treat a manufactured home (as defined in Federal laws and regulations other than section 603 of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5402)) in the same manner as a manufactured home (as defined in section 603 of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5402), as amended by this Act).

(d) ASSISTANCE TO STATES.—Section 609 of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5408) is amended—

(1) in paragraph (1), by striking “and” at the end;

(2) in paragraph (2), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following:

“(3) model guidance to support the submission of the certification required under section 604(i).”.

(e) PREEMPTION.—Nothing in this section or the amendments made by this section shall be construed as limiting the scope of Federal preemption under section 604(d) of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5403(d)).

SEC. 5302. MODULAR HOUSING PRODUCTION ACT.

(a) DEFINITIONS.—In this section:

(1) MANUFACTURED HOME.—The term ‘manufactured home’ has the meaning given the

term in section 603 of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5402).

(2) **MODULAR HOME.**—The term “modular home” means a home that is constructed in a factory in 1 or more modules, each of which meet applicable State and local building codes of the area in which the home will be located, and that are transported to the home building site, installed on foundations, and completed.

(3) **SECRETARY.**—The term “Secretary” means the Secretary of Housing and Urban Development.

(b) **FHA CONSTRUCTION FINANCING PROGRAMS.**—

(1) **IN GENERAL.**—The Secretary shall conduct a review of Federal Housing Administration construction financing programs to identify barriers to the use of modular home methods.

(2) **REQUIREMENTS.**—In conducting the review under paragraph (1), the Secretary shall—

(A) identify and evaluate regulatory and programmatic features that restrict participation in construction financing programs by modular home developers, including construction draw schedules; and

(B) identify administrative measures authorized under section 525 of the National Housing Act (12 U.S.C. 1735f-3) to facilitate program utilization by modular home developers.

(3) **REPORT.**—Not later than 1 year after the date of enactment of this Act, the Secretary shall publish a report that describes the results of the review conducted under paragraph (1), which shall include a description of programmatic and policy changes that the Secretary recommends to reduce or eliminate identified barriers to the use of modular home methods in Federal Housing Administration construction financing programs.

(4) **RULEMAKING.**—

(A) **IN GENERAL.**—Not later than 120 days after the date on which the Secretary publishes the report under paragraph (3), the Secretary shall initiate a rulemaking to examine an alternative draw schedule for construction financing loans provided to modular and manufactured home developers, which shall include the ability for interested stakeholders to provide robust public comment.

(B) **DETERMINATION.**—Following the period for public comment under subparagraph (A), the Secretary shall—

(i) issue a final rule regarding an alternative draw schedule described in subparagraph (A); or

(ii) provide an explanation as to why the rule shall not become final.

(c) **STANDARDIZED UNIFORM COMMERCIAL CODE FOR MODULAR HOMES.**—

(1) **AWARD.**—The Secretary may award a grant to study the design and feasibility of a standardized uniform commercial code for modular homes, which shall evaluate—

(A) the utility of a standardized coding system for serializing and securing modules, streamlining design and construction, and improving modular home innovation; and

(B) a means to coordinate a standardized code with financing incentives.

(2) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated such funds as may be necessary to carry out paragraph (1).

SEC. 5303. PROPERTY IMPROVEMENT AND MANUFACTURED HOUSING LOAN MODERNIZATION ACT.

(a) **NATIONAL HOUSING ACT AMENDMENTS.**—

(1) **IN GENERAL.**—Section 2 of the National Housing Act (12 U.S.C. 1703) is amended—

(A) in subsection (a), by inserting “construction of additional or accessory dwelling

units, as defined by the Secretary,” after “energy conserving improvements,”; and

(B) in subsection (b)—

(i) in paragraph (1)—

(I) by striking subparagraph (A) and inserting the following:

“(A) \$75,000 if made for the purpose of financing alterations, repairs and improvements upon or in connection with an existing single-family structure, including a manufactured home;”;

(II) in subparagraph (B)—

(aa) by striking “\$60,000” and inserting “\$150,000”;

(bb) by striking “\$12,000” and inserting “\$37,500”; and

(cc) by striking “an apartment house or”;

(III) by striking subparagraphs (C) and (D) and inserting the following:

“(C)(i) \$106,405 if made for the purpose of financing the purchase of a single-section manufactured home; and

“(ii) \$195,322 if made for the purpose of financing the purchase of a multi-section manufactured home;

“(D)(i) \$149,782 if made for the purpose of financing the purchase of a single-section manufactured home and a suitably developed lot on which to place the home; and

“(ii) \$238,699 if made for the purpose of financing the purchase of a multi-section manufactured home and a suitably developed lot on which to place the home;”;

(IV) in subparagraph (E)—

(aa) by striking “\$23,226” and inserting “\$43,377”; and

(bb) by striking the period at the end and inserting a semicolon;

(V) in subparagraph (F), by striking “and” at the end;

(VI) in subparagraph (G), by striking the period at the end and inserting “; and”; and

(VII) by inserting after subparagraph (G) the following:

“(H) such principal amount as the Secretary may prescribe if made for the purpose of financing the construction of an accessory dwelling unit.”;

(i) in the matter immediately preceding paragraph (2)—

(I) by striking “regulation” and inserting “notice”;

(II) by striking “increase” and inserting “set”;

(III) by striking “(A)(ii), (C), (D), and (E)” and inserting “(A) through (H)”;

(IV) by inserting “, or as necessary to achieve the goals of the Federal Housing Administration, periodically reset the dollar amount limitations in subparagraphs (A) through (H) based on justification and methodology set forth in advance by regulation” before the period at the end; and

(V) by adjusting the margins appropriately;

(iii) in paragraph (3), by striking “exceeds—” and all that follows through the period at the end and inserting “exceeds such period of time as determined by the Secretary, not to exceed 30 years.”;

(iv) by striking paragraph (9) and inserting the following:

“(9) **ANNUAL INDEXING OF CERTAIN DOLLAR AMOUNT LIMITATIONS.**—The Secretary shall develop or choose 1 or more methods of indexing in order to annually set the loan limits established in paragraph (1), based on data the Secretary determines is appropriate for purposes of this section.”; and

(v) in paragraph (11), by striking “lease—” and all that follows through the period at the end and inserting “lease meets the terms and conditions established by the Secretary”.

(2) **DEADLINE FOR DEVELOPMENT OR CHOICE OF NEW INDEX; INTERIM INDEX.**—

(A) **DEADLINE FOR DEVELOPMENT OR CHOICE OF NEW INDEX.**—Not later than 1 year after

the date of enactment of this Act, the Secretary of Housing and Urban Development shall develop or choose 1 or more methods of indexing as required under section 2(b)(9) of the National Housing Act (12 U.S.C. 1703(b)(9)), as amended by paragraph (1) of this subsection.

(B) **INTERIM INDEX.**—During the period beginning on the date of enactment of this Act and ending on the date on which the Secretary of Housing and Urban Development develops or chooses 1 or more methods of indexing as required under section 2(b)(9) of the National Housing Act (12 U.S.C. 1703(b)(9)), as amended by paragraph (1) of this subsection, the method of indexing established by the Secretary under that subsection before the date of enactment of this Act shall apply.

(b) **HUD STUDY OF OFF-SITE CONSTRUCTION.**—

(1) **DEFINITIONS.**—In this subsection:

(A) **OFF-SITE CONSTRUCTION HOUSING.**—The term “off-site construction housing” includes manufactured homes and modular homes.

(B) **MANUFACTURED HOME.**—The term “manufactured home” means any home constructed in accordance with the construction and safety standards established under the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.).

(C) **MODULAR HOME.**—The term “modular home” means a home that is constructed in a factory in 1 or more modules, each of which meet applicable State and local building codes of the area in which the home will be located, and that are transported to the home building site, installed on foundations, and completed.

(2) **STUDY.**—The Secretary of Housing and Urban Development shall conduct a study and submit to Congress a report on the cost effectiveness of off-site construction housing, that includes—

(A) an analysis of the advantages of the impact of centralization in a factory and transportation to a construction site on cost, precision, and materials waste;

(B) the extent to which off-site construction housing meets housing quality standards under the National Standards for the Physical Inspection of Real Estate, or other standards as the Secretary may prescribe, compared to the extent for site-built homes, for such standards;

(C) the expected replacement and maintenance costs over the first 40 years of life of off-site construction homes compared to those costs for site-built homes; and

(D) opportunities for use beyond single-family housing, such as applications in accessory dwelling units, two- to four-unit housing, and large multifamily housing.

SEC. 5304. PRICE ACT.

Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) is amended—

(1) in section 105(a) (42 U.S.C. 5305(a)), in the matter preceding paragraph (1), by striking “Activities” and inserting “Unless otherwise authorized under section 123, activities”;

(2) by adding at the end the following:

“SEC. 123. PRESERVATION AND REINVESTMENT FOR COMMUNITY ENHANCEMENT.

“(a) **DEFINITIONS.**—In this section:

“(1) **COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.**—The term ‘community development financial institution’ means an institution that has been certified as a community development financial institution (as defined in section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4702)) by the Secretary of the Treasury.

“(2) ELIGIBLE MANUFACTURED HOUSING COMMUNITY.—The term ‘eligible manufactured housing community’ means a manufactured housing community that—

“(A) is affordable to low- and moderate-income persons, as determined by the Secretary, but not more than 120 percent of the area median income; and

“(B)(i) is owned by the residents of the manufactured housing community through a resident-controlled entity such as a resident-owned cooperative; or

“(ii) will be maintained as such a community, and remain affordable for low- and moderate-income persons, to the maximum extent practicable and for the longest period feasible.

“(3) ELIGIBLE RECIPIENT.—The term ‘eligible recipient’ means—

“(A) an eligible manufactured housing community;

“(B) a unit of general local government;

“(C) a housing authority;

“(D) a resident-owned community;

“(E) a resident-owned cooperative;

“(F) a nonprofit entity with housing expertise or a consortia of such entities;

“(G) a community development financial institution;

“(H) an Indian tribe;

“(I) a tribally designated housing entity;

“(J) a State; or

“(K) any other entity that is—

“(i) an owner-operator of an eligible manufactured housing community; and

“(ii) working with an eligible manufactured housing community.

“(4) INDIAN TRIBE.—The term ‘Indian tribe’ has the meaning given the term ‘Indian tribe’ in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103).

“(5) MANUFACTURED HOUSING COMMUNITY.—The term ‘manufactured housing community’ means—

“(A) any community, court, park, or other land under unified ownership developed and accommodating or equipped to accommodate the placement of manufactured homes, where—

“(i) spaces within such community are or will be primarily used for residential occupancy;

“(ii) all homes within the community are used for permanent occupancy; and

“(iii) a majority of such occupied spaces within the community are occupied by manufactured homes, which may include homes constructed prior to enactment of the Manufactured Home Construction and Safety Standards; or

“(B) any community that meets the definition of manufactured housing community used for programs similar to the program under this section.

“(6) RESIDENT HEALTH, SAFETY, AND ACCESSIBILITY ACTIVITIES.—The term ‘resident health, safety, and accessibility activities’ means the reconstruction, repair, or replacement of manufactured housing and manufactured housing communities to—

“(A) protect the health and safety of residents;

“(B) address weatherization and reduce utility costs; or

“(C) address accessibility needs for residents with disabilities.

“(7) TRIBALLY DESIGNATED HOUSING ENTITY.—The term ‘tribally designated housing entity’ has the meaning given the term in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103).

“(b) ESTABLISHMENT.—The Secretary shall, by notice, carry out a competitive grant program to award funds to eligible recipients to carry out eligible projects for development

of or improvements in eligible manufactured housing communities.

“(c) ELIGIBLE PROJECTS.—

“(1) IN GENERAL.—Amounts from grants under this section may be used for—

“(A) community infrastructure, facilities, utilities, and other land improvements in or serving an eligible manufactured housing community;

“(B) reconstruction or repair existing housing within an eligible manufactured housing community;

“(C) replacement of homes within an eligible manufactured housing community;

“(D) planning;

“(E) resident health, safety, and accessibility activities in homes in an eligible manufactured housing community;

“(F) land and site acquisition and infrastructure for expansion or construction of an eligible manufactured housing community;

“(G) resident and community services, including relocation assistance, eviction prevention, and down payment assistance; and

“(H) any other activity that—

“(i) is approved by the Secretary consistent with the requirements under this section;

“(ii) improves the overall living conditions of an eligible manufactured housing community, which may include the addition or enhancement of shared spaces such as community centers, recreational areas, or other facilities that support resident well-being and community engagement; and

“(iii) is necessary to protect the health and safety of the residents of the eligible manufactured housing community and the long-term affordability and sustainability of the community.

“(2) REPLACEMENT.—For purposes of subparagraphs (B) and (C) of paragraph (1), grants under this section—

“(A) may not be used for rehabilitation or modernization of units that were built before June 15, 1976; and

“(B) may only be used for disposition and replacement of units described in subparagraph (A), provided that any replacement housing complies with the Manufactured Home Construction and Safety Standards or is another allowed home, as determined by the Secretary.

“(d) PRIORITY.—In awarding grants under this section, the Secretary shall prioritize applicants that will carry out activities that primarily benefit low- and moderate-income residents and preserve long-term housing affordability for residents of eligible manufactured housing communities.

“(e) WAIVERS.—The Secretary may waive or specify alternative requirements for any provision of law or regulation that the Secretary administers in connection with use of amounts made available under this section other than requirements related to fair housing, nondiscrimination, labor standards, and the environment, upon a finding that the waiver or alternative requirement is not inconsistent with the overall purposes of this section and that the waiver or alternative requirement is necessary to facilitate the use of amounts made available under this section.

“(f) IMPLEMENTATION.—

“(1) IN GENERAL.—Any grant made under this section shall be made pursuant to criteria for selection of recipients of such grants that the Secretary shall by regulation establish and publish together with any notification of availability of amounts under this section.

“(2) SET ASIDE OF GRANT AMOUNTS.—The Secretary may set aside amounts provided under this section for grants to Indian tribes and tribally designated housing entities.

“(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the

Secretary such sums as may be necessary to carry out this section.”

TITLE IV—ACCESSING THE AMERICAN DREAM

SEC. 5401. CREATING INCENTIVES FOR SMALL DOLLAR LOAN ORIGINATORS.

(a) DEFINITIONS.—In this section:

(1) DIRECTOR.—The term “Director” means the Director of the Bureau of Consumer Financial Protection.

(2) SMALL DOLLAR MORTGAGE.—The term “small dollar mortgage” means a mortgage loan having an original principal obligation of not more than \$100,000 that is—

(A) secured by real property designed for the occupancy of between 1 and 4 families; and

(B)(i) insured by the Federal Housing Administration under title II of the National Housing Act (12 U.S.C. 1707 et seq.);

(ii) made, guaranteed, or insured by the Department of Veterans Affairs;

(iii) made, guaranteed, or insured by the Department of Agriculture; or

(iv) eligible to be purchased or securitized by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association.

(b) REQUIREMENT REGARDING LOAN ORIGINATOR COMPENSATION PRACTICES.—Not later than 270 days after the date of enactment of this Act, the Director shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report on loan originator compensation practices throughout the residential mortgage market, including the relative frequency of loan originators being compensated—

(1) with a salary;

(2) with a commission reflecting a fixed percentage of the amount of credit extended;

(3) with a commission based on a factor other than a fixed percentage of the amount of credit extended;

(4) with a combination of salary and commission;

(5) on a loan volume basis;

(6) with a commission reflecting a percentage of the amount of credit extended, for which a minimum or maximum compensation amount is set; and

(7) by any other mechanism that the Director may find to be a practice for compensating mortgage loan originators, including any mechanism that provides a loan originator with compensation in such a way that the loan originator does not necessarily receive a lower level of compensation for originating a small dollar mortgage than the loan originator would receive for originating a mortgage loan that is not a small dollar mortgage.

(c) CONTENTS.—The report required under subsection (b) shall include—

(1) data and other analysis regarding the effect of the approaches to loan originator compensation described in subsection (b) on the availability of small dollar mortgage loans; and

(2) analysis and discussion regarding other potential barriers to small dollar mortgage lending.

(d) RULEMAKING.—Following the issuance of the report required under subsection (b), the Director may issue regulations to clarify the forms of compensation a lender may use to compensate a loan originator that—

(1) are permissible pursuant to section 129B(c) of the Truth in Lending Act (15 U.S.C. 1639b(c)); and

(2) would result in the loan originator receiving compensation for originating a small dollar mortgage that is not less than the compensation the loan originator would receive for originating a mortgage loan that is not a small dollar mortgage.

SEC. 5402. SMALL DOLLAR MORTGAGE POINTS AND FEES.

(a) **SMALL DOLLAR MORTGAGE DEFINED.**—In this section, the term “small dollar mortgage” means a mortgage with an original principal obligation of less than \$100,000.

(b) AMENDMENTS.

(1) **IN GENERAL.**—Not later than 270 days after the date of enactment of this Act, the Director of the Bureau of Consumer Financial Protection, in consultation with the Secretary of Housing and Urban Development and the Director of the Federal Housing Finance Agency, shall evaluate the impact of the existing thresholds under section 1026.43 of title 12, Code of Federal Regulations, on small dollar mortgage originations.

(2) **RULEMAKING.**—Following the evaluation required under paragraph (1), the Director of the Bureau of Consumer Financial Protection may initiate rulemaking to amend the limitations with respect to points and fees under section 1026.43 of title 12, Code of Federal Regulations, or any successor regulation, to encourage additional lending for small dollar mortgages.

SEC. 5403. APPRAISAL INDUSTRY IMPROVEMENT ACT.**(a) APPRAISAL STANDARDS.****(1) CERTIFICATION OR LICENSING.**

(A) **IN GENERAL.**—Section 202(g)(5) of the National Housing Act (12 U.S.C. 1708(g)(5)) is amended—

(i) by moving the paragraph two ems to the left; and

(ii) by striking subparagraphs (A) and (B) and inserting the following:

“(A) be certified or licensed by the State in which the property to be appraised is located, except that a Federal employee who has as their primary duty conducting appraisal-related activities and who chooses to become a State-licensed or certified real estate appraiser need only to be licensed or certified in 1 State or territory to perform appraisals on mortgages insured by the Federal Housing Administration in all States and territories;

“(B) meet the requirements under the competency rule set forth in the Uniform Standards of Professional Appraisal Practice before accepting an assignment; and

“(C) have demonstrated verifiable education in the appraisal requirements established by the Federal Housing Administration under this subsection, which shall include the completion of a course or seminar that educates appraisers on those appraisal requirements, which shall be provided by—

“(i) the Federal Housing Administration; or

“(ii) a third party, so long as the course is approved by the Secretary or a State appraiser certifying or licensing agency.”

(B) **APPLICATION.**—Subparagraph (C) of section 202(g)(5) of the National Housing Act (12 U.S.C. 1708(g)(5)), as added by subparagraph (A), shall not apply with respect to any certified appraiser approved by the Federal Housing Administration to conduct appraisals on property securing a mortgage to be insured by the Federal Housing Administration on or before the effective date under paragraph (3)(C).

(2) **COMPLIANCE WITH VERIFIABLE EDUCATION AND COMPETENCY REQUIREMENTS.**—On and after the effective date under paragraph (3)(C), no appraiser may conduct an appraisal on a property securing a mortgage to be insured by the Federal Housing Administration unless—

(A) the appraiser is in compliance with the requirements under subparagraphs (A) and (B) of section 202(g)(5) of such Act (12 U.S.C. 1708(g)(5)), as amended by paragraph (1); and

(B) if the appraiser was not approved by the Federal Housing Administration to conduct appraisals on mortgages insured by the

Federal Housing Administration before the date on which the mortgagee letter or guidance take effect under paragraph (3)(C), the appraiser is in compliance with subparagraph (C) of such section 202(g)(5).

(3) **IMPLEMENTATION.**—Not later than the 240 days after the date of enactment of this Act, the Secretary of Housing and Urban Development shall issue a mortgagee letter or guidance that shall—

(A) implement the amendments made by paragraph (1);

(B) clearly set forth all of the specific requirements under section 202(g)(5) of the National Housing Act (12 U.S.C. 1708(g)(5)), as amended by paragraph (1), for approval to conduct appraisals on property secured by a mortgage to be insured by the Federal Housing Administration, which shall include—

(i) providing that, before the effective date of the mortgagee letter or guidance, compliance with the requirements under subparagraphs (A), (B), and (C) of such section 202(g)(5), as amended by paragraph (1), shall be considered to fulfill the requirements under such subparagraphs; and

(ii) providing a method for appraisers to demonstrate such prior compliance; and

(C) take effect not later than the date that is 180 days after the date on which the Secretary issues the mortgagee letter or guidance.

(b) **ANNUAL REGISTRY FEES FOR APPRAISAL MANAGEMENT COMPANIES.**—Section 1109(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3338(a)) is amended, in the matter following clause (ii) of paragraph (4)(B), by adding at the end the following: “Subject to the approval of the Council, the Appraisal Subcommittee may adjust fees established under clause (i) or (ii) to carry out its functions under this Act.”

(c) STATE CREDENTIALLED TRAINEES.

(1) **MAINTENANCE ON NATIONAL REGISTRY.**—Section 1103(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3332(a)) is amended—

(A) in paragraph (3)—

(i) by inserting “and State credentialed trainee appraisers” after “licensed appraisers”; and

(ii) by striking “and” at the end;

(B) by striking paragraph (4);

(C) by redesignating paragraphs (5) and (6) as paragraphs (4) and (5), respectively; and

(D) in paragraph (4), as so redesignated—

(i) by striking “year. The report shall also detail” and inserting “year, details”;

(ii) by striking “provide” and inserting “provides”; and

(iii) by striking the period at the end and inserting “; and”.

(2) ANNUAL REGISTRY FEES.

(A) **IN GENERAL.**—Section 1109 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3338) is amended—

(i) in the section heading, by striking “OR LICENSED” and inserting “, LICENSED, AND CREDENTIALLED TRAINEE”; and

(ii) in subsection (a)—

(I) in paragraph (1), by inserting “, and in the case of a State with a supervisory or trainee program, a roster listing individuals who have received a State trainee credential” after “this title”; and

(II) by striking paragraph (2) and inserting the following:

“(2) transmit reports on the issuance and renewal of licenses, certifications, credentials, sanctions, and disciplinary actions, including license, credential, and certification revocations, on a timely basis to the national registry of the Appraisal Subcommittee;”

(B) **RULE OF CONSTRUCTION.**—Nothing in the amendments made by subparagraph (A) shall

require a State to establish or operate a program for State credentialed trainee appraisers, as defined in paragraph (12) of section 1121 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as added by paragraph (4) of this subsection.

(3) **TRANSACTIONS REQUIRING THE SERVICES OF A STATE CERTIFIED APPRAISER.**—Section 1113 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3342) is amended—

(A) by striking “In determining” and inserting “(a) IN GENERAL.—In determining”; and

(B) by adding at the end the following:

“(b) **USE OF STATE CREDENTIALLED TRAINEE APPRAISERS.**—In performing an appraisal under this section, a State certified appraiser may use the assistance of a State credentialed trainee appraiser or an unlicensed trainee appraiser, except that a State certified appraiser assisted by a trainee shall be liable for final work.”

(4) **DEFINITION.**—Section 1121 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3350) is amended by adding at the end the following:

“(12) **STATE CREDENTIALLED TRAINEE APPRAISER.**—The term ‘State credentialed trainee appraiser’ means an individual who—

“(A) meets the minimum criteria established by the Appraiser Qualification Board for a trainee appraiser credential; and

“(B) is credentialed by a State appraiser certifying and licensing agency.”

(d) **GRANTS FOR WORKFORCE AND TRAINING.**—Section 1109(b) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3338(b)) is amended—

(1) in paragraph (5)(B), by striking “and” at the end;

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

(3) by adding at the end the following:

“(7) to make grants to State appraiser certifying and licensing agencies, nonprofit organizations, and institutions of higher education to support the carrying out of education and training activities or other activities related to addressing appraiser industry workforce needs, including recruiting and retaining workforce talent, such as through scholarship assistance and career pipeline development.”

(e) **APPRAISAL SUBCOMMITTEE.**—Section 1011 of the Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3310) is amended, in the first sentence, by inserting “the Department of Veterans Affairs, the Rural Housing Service of the Department of Agriculture, the Department of Housing and Urban Development,” after “Financial Protection,”.

SEC. 5404. HELPING MORE FAMILIES SAVE ACT.

Section 23 of the United States Housing Act of 1937 (42 U.S.C. 1437u) is amended by adding at the end the following:

“(p) **ESCROW EXPANSION PILOT PROGRAM.**—

“(1) **DEFINITIONS.**—In this subsection:

“(A) **COVERED FAMILY.**—The term ‘covered family’ means a family that receives assistance under section 8 or 9 of this Act and is enrolled in the pilot program.

“(B) **ELIGIBLE ENTITY.**—The term ‘eligible entity’ means an entity described in subsection (c)(2).

“(C) **PILOT PROGRAM.**—The term ‘pilot program’ means the pilot program established under paragraph (2).

“(D) **WELFARE ASSISTANCE.**—The term ‘welfare assistance’ has the meaning given the term in section 984.103 of title 24, Code of Federal Regulations, or any successor regulation.

“(2) **ESTABLISHMENT.**—The Secretary shall establish a pilot program under which the Secretary shall select not more than 25 eligible entities to establish and manage escrow

accounts for not more than 5,000 covered families, in accordance with this subsection.

“(3) ESCROW ACCOUNTS.—

“(A) IN GENERAL.—An eligible entity selected to participate in the pilot program—

“(i) shall establish an interest-bearing escrow account and place into the account an amount equal to any increase in the amount of rent paid by each covered family in accordance with the provisions of section 3, 8(o), or 8(y), as applicable, that is attributable to increases in earned income by the covered families during the participation of each covered family in the pilot program; and

“(ii) notwithstanding any other provision of law, may use funds it controls under section 8 or 9 for purposes of making the escrow deposit for covered families assisted under, or residing in units assisted under, section 8 or 9, respectively, provided such funds are offset by the increase in the amount of rent paid by the covered family.

“(B) INCOME LIMITATION.—An eligible entity may not escrow any amounts for any covered family whose adjusted income exceeds 80 percent of the area median income at the time of enrollment.

“(C) WITHDRAWALS.—A covered family shall be able to withdraw funds, including interest earned, from an escrow account established by an eligible entity under the pilot program—

“(i) after the covered family ceases to receive welfare assistance; and

“(ii) not earlier than the date that is 5 years after the date on which the eligible entity establishes the escrow account under this subsection;

“(II) not later than the date that is 7 years after the date on which the eligible entity establishes the escrow account under this subsection, if the covered family chooses to continue to participate in the pilot program after the date that is 5 years after the date on which the eligible entity establishes the escrow account;

“(III) on the date the covered family ceases to receive housing assistance under section 8 or 9, if such date is earlier than 5 years after the date on which the eligible entity establishes the escrow account;

“(IV) earlier than 5 years after the date on which the eligible entity establishes the escrow account, if the covered family is using the funds to advance a self-sufficiency goal as approved by the eligible entity; or

“(V) under other circumstances in which the Secretary determines an exemption for good cause is warranted.

“(D) INTERIM RECERTIFICATION.—For purposes of the pilot program, a covered family may recertify the income of the covered family multiple times per year, as determined by the Secretary, and not fewer than once per year.

“(E) CONTRACT OR PLAN.—A covered family is not required to complete a standard contract of participation or an individual training and services plan in order to participate in the pilot program.

“(4) EFFECT OF INCREASES IN FAMILY INCOME.—Any increase in the earned income of a covered family during the enrollment of the family in the pilot program may not be considered as income or a resource for purposes of eligibility of the family for other benefits, or amount of benefits payable to the family, under any program administered by the Secretary.

“(5) APPLICATION.—

“(A) IN GENERAL.—An eligible entity seeking to participate in the pilot program shall submit to the Secretary an application—

“(i) at such time, in such manner, and containing such information as the Secretary may require by notice; and

“(ii) that includes the number of proposed covered families to be served by the eligible entity under this subsection.

“(B) GEOGRAPHIC AND ENTITY VARIETY.—The Secretary shall ensure that eligible entities selected to participate in the pilot program—

“(i) are located across various States and in both urban and rural areas; and

“(ii) vary by size and type, including both public housing agencies and private owners of projects receiving project-based rental assistance under section 8.

“(6) NOTIFICATION AND OPT-OUT.—An eligible entity participating in the pilot program shall—

“(A) notify covered families of their enrollment in the pilot program;

“(B) provide covered families with a detailed description of the pilot program, including how the pilot program will impact their rent and finances;

“(C) inform covered families that the families cannot simultaneously participate in the pilot program and the Family Self-Sufficiency program under this section; and

“(D) provide covered families with the ability to elect not to participate in the pilot program—

“(i) not less than 2 weeks before the date on which the escrow account is established under paragraph (3); and

“(ii) at any point during the duration of the pilot program.

“(7) MAXIMUM RENTS.—During the term of participation by a covered family in the pilot program, the amount of rent paid by the covered family shall be calculated under the rental provisions of section 3 or 8(o), as applicable.

“(8) PILOT PROGRAM TIMELINE.—

“(A) AWARDS.—Not later than 18 months after the date of enactment of this subsection, the Secretary shall select the eligible entities to participate in the pilot program.

“(B) ESTABLISHMENT AND TERM OF ACCOUNTS.—An eligible entity selected to participate in the pilot program shall—

“(i) not later than 6 months after selection, establish escrow accounts under paragraph (3) for covered families; and

“(ii) maintain those escrow accounts for not less than 5 years, or until the date the family ceases to receive assistance under section 8 or 9, and, at the discretion of the covered family, not more than 7 years after the date on which the escrow account is established.

“(9) NONPARTICIPATION AND HOUSING ASSISTANCE.—

“(A) IN GENERAL.—Assistance under section 8 or 9 for a family that elects not to participate in the pilot program shall not be delayed or denied by reason of such election.

“(B) NO TERMINATION.—Housing assistance may not be terminated as a consequence of participating, or not participating, in the pilot program under this subsection for any period of time.

“(10) STUDY.—Not later than 8 years after the date the Secretary selects eligible entities to participate in the pilot program under this subsection, the Secretary shall conduct a study and submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report on outcomes for covered families under the pilot program, which shall evaluate the effectiveness of the pilot program in assisting families to achieve economic independence and self-sufficiency, and the impact coaching and supportive services, or the lack thereof, had on individual incomes.

“(11) WAIVERS.—To allow selected eligible entities to effectively administer the pilot

program and make the required escrow account deposits under this subsection, the Secretary may waive requirements under this section.

“(12) TERMINATION.—The pilot program under this subsection shall terminate on the date that is 10 years after the date of enactment of this subsection.

“(13) AUTHORIZATION OF APPROPRIATIONS.—

“(A) IN GENERAL.—There is authorized to be appropriated to the Secretary for fiscal year 2026 such sums as may be necessary—

“(i) for technical assistance related to implementation of the pilot program; and

“(ii) to carry out an evaluation of the pilot program under paragraph (10).

“(B) AVAILABILITY.—Any amounts appropriated under this subsection shall remain available until expended.”.

SEC. 5405. CHOICE IN AFFORDABLE HOUSING ACT.

(a) SATISFACTION OF INSPECTION REQUIREMENTS THROUGH PARTICIPATION IN OTHER HOUSING PROGRAMS.—Section 8(o)(8) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(8)), as amended by section 101(a) of the Housing Opportunity Through Modernization Act of 2016 (Public Law 114-201; 130 Stat. 783), is amended by adding at the end the following:

“(I) SATISFACTION OF INSPECTION REQUIREMENTS THROUGH PARTICIPATION IN OTHER HOUSING PROGRAMS.—

“(i) LOW-INCOME HOUSING TAX CREDIT-FINANCED BUILDINGS.—A dwelling unit shall be deemed to meet the inspection requirements under this paragraph if—

“(I) the dwelling unit is in a building, the acquisition, rehabilitation, or construction of which was financed by a person who received a low-income housing tax credit under section 42 of the Internal Revenue Code of 1986 in exchange for that financing;

“(II) the dwelling unit was physically inspected and passed inspection as part of the low-income housing tax credit program described in subclause (I) during the preceding 12-month period; and

“(III) the applicable public housing agency is able to obtain the results of the inspection described in subclause (II).

“(ii) HOME INVESTMENT PARTNERSHIPS PROGRAM.—A dwelling shall be deemed to meet the inspection requirements under this paragraph if—

“(I) the dwelling unit is assisted under the HOME Investment Partnerships Program under title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.);

“(II) the dwelling unit was physically inspected and passed inspection as part of the program described in subclause (I) during the preceding 12-month period; and

“(III) the applicable public housing agency is able to obtain the results of the inspection described in subclause (II).

“(iii) RURAL HOUSING SERVICE.—A dwelling unit shall be deemed to meet the inspection requirements under this paragraph if—

“(I) the dwelling unit is assisted by the Rural Housing Service of the Department of Agriculture;

“(II) the dwelling unit was physically inspected and passed inspection in connection with the assistance described in subclause (I) during the preceding 12-month period; and

“(III) the applicable public housing agency is able to obtain the results of the inspection described in subclause (II).

“(iv) REMOTE OR VIDEO INSPECTIONS.—When complying with inspection requirements for a housing unit located in a rural or small area using assistance under this subtitle, the Secretary may allow a grantee to conduct a remote or video inspection of a unit.

“(v) RULE OF CONSTRUCTION.—Nothing in clause (i), (ii), (iii), or (iv) shall be construed

to affect the operation of a housing program described in, or authorized under a provision of law described in, that clause.”.

(b) PRE-APPROVAL OF UNITS.—Section 8(o)(8)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(8)(A)) is amended by adding at the end the following:

“(iv) INITIAL INSPECTION PRIOR TO LEASE AGREEMENT.—

“(I) DEFINITION.—In this clause, the term ‘new landlord’ means an owner of a dwelling unit who has not previously entered into a housing assistance payment contract with a public housing agency under this subsection for any dwelling unit.

“(II) EARLY INSPECTION.—Upon the request of a new landlord, a public housing agency may inspect the dwelling unit owned by the new landlord to determine whether the unit meets the housing quality standards under subparagraph (B) before the unit is selected by a tenant assisted under this subsection.

“(III) EFFECT.—An inspection conducted under subclause (II) that determines that the dwelling unit meets the housing quality standards under subparagraph (B) shall satisfy this subparagraph and subparagraph (C) if the new landlord enters into a lease agreement with a tenant assisted under this subsection not later than 60 days after the date of the inspection.

“(IV) INFORMATION WHEN FAMILY IS SELECTED.—When a public housing agency selects a family to participate in the tenant-based assistance program under this subsection, the public housing agency shall include in the information provided to the family a list of dwelling units that have been inspected under subclause (II) and determined to meet the housing quality standards under subparagraph (B).”.

TITLE V—PROGRAM REFORM

SEC. 5501. REFORMING DISASTER RECOVERY ACT.

(a) DEFINITIONS.—In this section:

(1) DEPARTMENT.—The term “Department” means the Department of Housing and Urban Development.

(2) FUND.—The term “Fund” means the Long-Term Disaster Recovery Fund established under subsection (c).

(3) SECRETARY.—The term “Secretary” means the Secretary of Housing and Urban Development.

(b) DUTIES OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.—

(1) IN GENERAL.—The offices and officers of the Department shall be responsible for—

(A) leading and coordinating the disaster-related responsibilities of the Department under the National Response Framework, the National Disaster Recovery Framework, and the National Mitigation Framework;

(B) coordinating and administering programs, policies, and activities of the Department related to disaster relief, long-term recovery, resiliency, and mitigation, including disaster recovery assistance under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.);

(C) supporting disaster-impacted communities as those communities specifically assess, plan for, and address the housing stock and housing needs in the transition from emergency shelters and interim housing to permanent housing of those displaced, especially among vulnerable populations and extremely low-, low-, and moderate-income households;

(D) collaborating with the Federal Emergency Management Agency and the Small Business Administration and across the Department to align disaster-related regulations and policies, including incorporation of consensus-based codes and standards and insurance purchase requirements, and ensuring coordination and reducing duplication

among other Federal disaster recovery programs;

(E) promoting best practices in mitigation and resilient land use planning;

(F) coordinating technical assistance, including mitigation, resiliency, and recovery training and information on all relevant legal and regulatory requirements, to entities that receive disaster recovery assistance under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) that demonstrate capacity constraints; and

(G) supporting State, Tribal, and local governments in developing, coordinating, and maintaining their capacity for disaster resilience and recovery and developing pre-disaster recovery and hazard mitigation plans, in coordination with the Federal Emergency Management Agency and other Federal agencies.

(2) ESTABLISHMENT OF THE OFFICE OF DISASTER MANAGEMENT AND RESILIENCY.—Section 4 of the Department of Housing and Urban Development Act (42 U.S.C. 3533) is amended by adding at the end the following:

“(1) OFFICE OF DISASTER MANAGEMENT AND RESILIENCY.—

“(1) ESTABLISHMENT.—There is established, in the Office of the Secretary, the Office of Disaster Management and Resiliency.

“(2) DUTIES.—The Office of Disaster Management and Resiliency shall—

(A) be responsible for oversight and coordination of all departmental disaster preparedness and response responsibilities; and

(B) coordinate with the Federal Emergency Management Agency, the Small Business Administration, and the Office of Community Planning and Development and other offices of the Department in supporting recovery and resilience activities to provide a comprehensive approach in working with communities.”.

(c) LONG-TERM DISASTER RECOVERY FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury of the United States an account to be known as the Long-Term Disaster Recovery Fund.

(2) DEPOSITS, TRANSFERS, AND CREDIT.—

(A) IN GENERAL.—The Fund shall consist of amounts appropriated, transferred, and credited to the Fund.

(B) TRANSFERS.—The following may be transferred to the Fund:

(i) Amounts made available through section 106(c)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(c)(4)) as a result of actions taken under section 104(e), 111, or 124(j) of such Act.

(ii) Any unobligated balances available until expended remaining or subsequently recaptured from amounts appropriated for any disaster and related purposes under the heading “Community Development Fund” in any Act prior to the establishment of the Fund.

(C) USE OF TRANSFERRED AMOUNTS.—Amounts transferred to the Fund shall be used for the eligible uses described in paragraph (3).

(3) ELIGIBLE USES OF FUND.—

(A) IN GENERAL.—Amounts in the Fund shall be available—

(i) to provide assistance in the form of grants under section 124 of the Housing and Community Development Act of 1974, as added by subsection (d); and

(ii) for activities of the Department that support the provision of such assistance, including necessary salaries and expenses, information technology, and capacity building, technical assistance, and pre-disaster readiness.

(B) SET ASIDE.—Of each amount appropriated for or transferred to the Fund, 3 percent shall be made available for activities

described in subparagraph (A)(ii), which shall be in addition to other amounts made available for those activities.

(C) TRANSFER OF FUNDS.—With respect to amounts made available for use in accordance with subparagraph (B)—

(i) amounts may be transferred to the account under the heading for “Program Offices—Salaries and Expenses—Community Planning and Development”, or any successor account, for the Department to carry out activities described in paragraph (1)(B); and

(ii) amounts may be used for the activities described in subparagraph (A)(ii) and for the administrative costs of administering any funds appropriated to the Department under the heading “Community Planning and Development—Community Development Fund” for any major disaster declared under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) in any Act before the establishment of the Fund.

(D) INSPECTOR GENERAL.—

(i) IN GENERAL.—Not less than one-tenth of 1 percent of each series of awards the Secretary makes from the Fund shall be transferred to the account under the heading “Office of Inspector General” for the Department of Housing and Urban Development to support audit activities and to investigate grantee noncompliance with program requirements and waste, fraud, and abuse as a result of appropriations made available through the Fund.

(ii) AVAILABILITY.—Funding under clause (i) shall not be made available to the Office of Inspector General until 90 days after the date on which the grantee plan or supplemental plan for the grantee is approved by the Secretary under subsection (c) or (f)(3)(C) of section 124 of the Housing and Community Development Act of 1974, as added by subsection (d), is approved by the Secretary.

(4) INTERCHANGEABILITY OF PRIOR ADMINISTRATIVE AMOUNTS.—Any amounts appropriated in any Act prior to the establishment of the Fund and transferred to the account under the heading “Program Offices—Salaries and Expenses—Community Planning and Development”, or any predecessor account, for the Department for the costs of administering funds appropriated to the Department under the heading “Community Planning and Development—Community Development Fund” for any major disaster declared under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) shall be available for the costs of administering any such funds provided by any prior or future Act, notwithstanding the purposes for which those amounts were appropriated and in addition to any amount provided for the same purposes in other appropriations Acts.

(5) AVAILABILITY OF AMOUNTS.—Amounts appropriated, transferred, and credited to the Fund shall remain available until expended.

(6) FORMULA ALLOCATION.—Use of amounts in the Fund for grants shall be made by formula allocation in accordance with the requirements of section 124(a) of the Housing and Community Development Act of 1974, as added by subsection (d).

(7) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Fund such sums as may be necessary to respond to current or future major disasters declared under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5179) for grants under section 124 of the Housing and Community Development Act of 1974, as added by subsection (d).

(d) ESTABLISHMENT OF CDBG DISASTER RECOVERY PROGRAM.—Title I of the Housing

and Community Development Act of 1974 (42 U.S.C. 5301 et seq.), as amended by this Act, is amended—

(1) in section 102(a) (42 U.S.C. 5302(a))—
(A) in paragraph (20)—
(i) by redesignating subparagraph (B) as subparagraph (C);

(ii) in subparagraph (C), as so redesignated, by inserting “or (B)” after “subparagraph (A)”;

(iii) by inserting after subparagraph (A) the following:

“(B) The term ‘persons of extremely low income’ means families and individuals whose income levels do not exceed household income levels determined by the Secretary under section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)(C)), except that the Secretary may provide alternative definitions for the Commonwealth of Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the United States Virgin Islands, and American Samoa.”; and

(B) by adding at the end the following:

“(25) The term ‘major disaster’ has the meaning given the term in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122).”;

(2) in section 106(c)(4) (42 U.S.C. 5306(c)(4))—
(A) in subparagraph (A)—

(i) by striking “declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act”;

(ii) inserting “States for use in nonentitled areas and to” before “metropolitan cities”; and

(iii) inserting “major” after “affected by the”;

(B) in subparagraph (C)—

(i) by striking “metropolitan city or” and inserting “State, metropolitan city, or”;

(ii) by striking “city or county” and inserting “State, city, or county”; and

(iii) by inserting “major” before “disaster”;

(C) in subparagraph (D), by striking “metropolitan cities and” and inserting “States, metropolitan cities, and”;

(D) in subparagraph (F)—

(i) by striking “metropolitan city or” and inserting “State, metropolitan city, or”; and

(ii) by inserting “major” before “disaster”; and

(E) in subparagraph (G), by striking “metropolitan city or” and inserting “State, metropolitan city, or”;

(3) in section 122 (42 U.S.C. 5321), by striking “disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act” and inserting “major disaster”; and

(4) by adding at the end the following:

“SEC. 124. COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY PROGRAM.

“(a) AUTHORIZATION, FORMULA, AND ALLOCATION.—

“(1) AUTHORIZATION.—The Secretary is authorized to make community development block grant disaster recovery grants from the Long-Term Disaster Recovery Fund established under section 501(c) of the Renewing Opportunity in the American Dream to Housing Act of 2025 (hereinafter referred to as the ‘Fund’) for necessary expenses for activities authorized under subsection (f)(1) related to disaster relief, long-term recovery, restoration of housing and infrastructure, economic revitalization, and mitigation in the most impacted and distressed areas resulting from a catastrophic major disaster.

“(2) GRANT AWARDS.—Grants shall be awarded under this section to States, units of general local government, and Indian tribes based on capacity and the concentration of damage, as determined by the Sec-

retary, to support the efficient and effective administration of funds.

“(3) SECTION 106 ALLOCATIONS.—Grants under this section shall not be considered relevant to the formula allocations made pursuant to section 106.

“(4) FEDERAL REGISTER NOTICE.—

“(A) IN GENERAL.—Not later than 30 days after the date of enactment of this section, the Secretary shall issue a notice in the Federal Register containing the latest formula allocation methodologies used to determine the total estimate of unmet needs related to housing, economic revitalization, and infrastructure in the most impacted and distressed areas resulting from a catastrophic major disaster.

“(B) PUBLIC COMMENT.—If the Secretary has not already requested public comment on the formula described in the notice required by subparagraph (A), the Secretary shall solicit public comments on—

“(i) the methodologies described in subparagraph (A) and seek alternative methods for formula allocation within a similar total amount of funding;

“(ii) the impact of formula methodologies on rural areas and Tribal areas;

“(iii) adjustments to improve targeting to the most serious needs;

“(iv) objective criteria for grantee capacity and concentration of damage to inform grantee determinations and minimum allocation thresholds; and

“(v) research and data to inform an additional amount to be provided for mitigation depending on type of disaster, which shall be up to 18 percent of the total estimate of unmet needs.

“(5) REGULATIONS.—

“(A) IN GENERAL.—The Secretary shall, by regulation, establish a formula to allocate assistance from the Fund to the most impacted and distressed areas resulting from a catastrophic major disaster.

“(B) FORMULA REQUIREMENTS.—The formula established under subparagraph (A) shall—

“(i) set forth criteria to determine that a major disaster is catastrophic, which criteria shall consider the presence of a high concentration of damaged housing or businesses that individual, State, Tribal, and local resources could not reasonably be expected to address without additional Federal assistance or other nationally encompassing data that the Secretary determines are adequate to assess relative impact and distress across geographic areas;

“(ii) include a methodology for identifying most impacted and distressed areas, which shall consider unmet serious needs related to housing, economic revitalization, and infrastructure;

“(iii) include an allocation calculation that considers the unmet serious needs resulting from the catastrophic major disaster and an additional amount up to 18 percent for activities to reduce risks of loss resulting from other natural disasters in the most impacted and distressed area, primarily for the benefit of low- and moderate-income persons, with particular focus on activities that reduce repetitive loss of property and critical infrastructure; and

“(iv) establish objective criteria for periodic review and updates to the formula to reflect changes in available data.

“(C) MINIMUM ALLOCATION THRESHOLD.—The Secretary shall, by regulation, establish a minimum allocation threshold.

“(D) INTERIM ALLOCATION.—Until such time that the Secretary issues final regulations under this paragraph, the Secretary shall—

“(i) allocate assistance from the Fund using the formula allocation methodology published in accordance with paragraph (4); and

“(ii) include an additional amount for mitigation of up to 18 percent of the total estimate of unmet need.

“(6) ALLOCATION OF FUNDS.—

“(A) IN GENERAL.—The Secretary shall—

“(i) except as provided in clause (ii), not later than 90 days after the President declares a major disaster, use best available data to determine whether the major disaster is catastrophic and qualifies for assistance under the formula described in paragraph (4) or (5), unless data is insufficient to make this determination; and

“(ii) if the best available data is insufficient to make the determination required under clause (i) within the 90-day period described in that clause, the Secretary shall determine whether the major disaster qualifies when sufficient data becomes available, but in no case shall the Secretary make the determination later than 120 days after the declaration of the major disaster.

“(B) ANNOUNCEMENT OF ALLOCATION.—If amounts are available in the Fund at the time the Secretary determines that the major disaster is catastrophic and qualifies for assistance under the formula described in paragraph (4) or (5), the Secretary shall immediately announce an allocation for a grant under this section.

“(C) ADDITIONAL AMOUNTS.—If additional amounts are appropriated to the Fund after amounts are allocated under subparagraph (B), the Secretary shall announce an allocation or additional allocation (if a prior allocation under subparagraph (B) was less than the formula calculation) within 15 days of any such appropriation.

“(7) PRELIMINARY FUNDING.—

“(A) IN GENERAL.—To speed recovery, the Secretary is authorized to allocate and award preliminary grants from the Fund before making a determination under paragraph (6)(A) if the Secretary projects, based on a preliminary assessment of impact and distress, that a major disaster is catastrophic and would likely qualify for funding under the formula described in paragraph (4) or (5).

“(B) AMOUNT.—

“(i) MAXIMUM.—The Secretary may award preliminary funding under subparagraph (A) in an amount that is not more than \$5,000,000.

“(ii) SLIDING SCALE.—The Secretary shall, by regulation, establish a sliding scale for preliminary funding awarded under subparagraph (A) based on the size of the preliminary assessment of impact and distress.

“(C) USE OF FUNDS.—The uses of preliminary funding awarded under subparagraph (A) shall be limited to eligible activities that—

“(i) in the determination of the Secretary, will support faster recovery, improve the ability of the grantee to assess unmet recovery needs, plan for the prevention of improper payments, and reduce fraud, waste, and abuse; and

“(ii) may include evaluating the interim housing, permanent housing, and supportive service needs of the disaster impacted community, with special attention to vulnerable populations, such as homeless and low- to moderate-income households, to inform the grantee action plan required under subsection (c).

“(D) CONSIDERATION OF FUNDING.—Preliminary funding awarded under subparagraph (A)—

“(i) is not subject to the certification requirements of subsection (h)(1); and

“(ii) shall not be considered when calculating the amount of the grant used for administrative costs, technical assistance, and planning activities that are subject to the requirements under subsection (f)(2).

“(E) WAIVER.—To expedite the use of preliminary funding for activities described in this paragraph, the Secretary may waive or specify alternative requirements to the requirements of this section in accordance with subsection (i).

“(F) AMENDED AWARD.—

“(i) IN GENERAL.—An award for preliminary funding under subparagraph (A) may be amended to add any subsequent amount awarded because of a determination by the Secretary that a major disaster is catastrophic and qualifies for assistance under the formula.

“(ii) APPLICABILITY.—Notwithstanding subparagraph (D), amounts provided by an amendment under clause (i) are subject to the requirements under subsections (f)(1) and (h)(1) and other requirements on grant funds under this section.

“(G) TECHNICAL ASSISTANCE.—Concurrent with the allocation of any preliminary funding awarded under this paragraph, the Secretary shall assign or provide technical assistance to the recipient of the grant.

“(h) INTERCHANGEABILITY.—

“(1) IN GENERAL.—The Secretary is authorized to approve the use of grants under this section to be used interchangeably and without limitation for the same activities in the most impacted and distressed areas resulting from a declaration of another catastrophic major disaster that qualifies for assistance under the formula established under paragraph (4) or (5) of subsection (a) or a major disaster for which the Secretary allocated funds made available under the heading ‘Community Development Fund’ in any Act prior to the establishment of the Fund.

“(2) REQUIREMENTS.—The Secretary shall establish requirements to expedite the use of grants under this section for the purpose described in paragraph (1).

“(3) EMERGENCY DESIGNATION.—Amounts repurposed pursuant to this subsection that were previously designated by Congress as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 or a concurrent resolution on the budget are designated by the Congress as being for an emergency requirement pursuant to section 4001(a)(1) of S. Con. Res. 14 (117th Congress), the concurrent resolution on the budget for fiscal year 2022, and to legislation establishing fiscal year 2026 budget enforcement in the House of Representatives.

“(c) GRANTEE PLANS.—

“(1) REQUIREMENT.—Not later than 90 days after the date on which the Secretary announces a grant allocation under this section, unless an extension is granted by the Secretary, the grantee shall submit to the Secretary a plan for approval describing—

“(A) the activities the grantee will carry out with the grant under this section;

“(B) the criteria of the grantee for awarding assistance and selecting activities;

“(C) how the use of the grant under this section will address disaster relief, long-term recovery, restoration of housing and infrastructure, economic revitalization, and mitigation in the most impacted and distressed areas;

“(D) how the use of the grant funds for mitigation is consistent with hazard mitigation plans submitted to the Federal Emergency Management Agency under section 322 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5165);

“(E) the estimated amount proposed to be used for activities that will benefit persons of low and moderate income;

“(F) how the use of grant funds will repair and replace existing housing stock for vulnerable populations, including low- to moderate-income households;

“(G) how the grantee will address the priorities described in paragraph (5);

“(H) how uses of funds are proportional to unmet needs, as required under paragraph (6);

“(I) for State grantees that plan to distribute grant amounts to units of general local government, a description of the method of distribution; and

“(J) such other information as may be determined by the Secretary in regulation.

“(2) PUBLIC CONSULTATION.—To permit public examination and appraisal of the plan described in paragraph (1), to enhance the public accountability of grantee, and to facilitate coordination of activities with different levels of government, when developing the plan or substantial amendments proposed to the plan required under paragraph (1), a grantee shall—

“(A) publish the plan before adoption;

“(B) provide citizens, affected units of general local government, and other interested parties with reasonable notice of, and opportunity to comment on, the plan, with a public comment period of not less than 14 days;

“(C) consider comments received before submission to the Secretary;

“(D) follow a citizen participation plan for disaster assistance adopted by the grantee that, at a minimum, provides for participation of residents of the most impacted and distressed area affected by the major disaster that resulted in the grant under this section and other considerations established by the Secretary; and

“(E) undertake any consultation with interested parties as may be determined by the Secretary in regulation.

“(3) APPROVAL.—The Secretary shall—

“(A) by regulation, specify criteria for the approval, partial approval, or disapproval of a plan submitted under paragraph (1), including approval of substantial amendments to the plan;

“(B) review a plan submitted under paragraph (1) upon receipt of the plan;

“(C) allow a grantee to revise and resubmit a plan or substantial amendment to a plan under paragraph (1) that the Secretary disapproves;

“(D) by regulation, specify criteria for when the grantee shall be required to provide the required revisions to a disapproved plan or substantial amendment under paragraph (1) for public comment prior to resubmission of the plan or substantial amendment to the Secretary; and

“(E) approve, partially approve, or disapprove a plan or substantial amendment under paragraph (1) not later than 60 days after the date on which the plan or substantial amendment is received by the Secretary.

“(4) LOW- AND MODERATE-INCOME OVERALL BENEFIT.—

“(A) USE OF FUNDS.—Not less than 70 percent of a grant made under this section shall be used for activities that benefit persons of low and moderate income unless the Secretary—

“(i) specifically finds that—

“(I) there is compelling need to reduce the percentage for the grant; and

“(II) the housing needs of low- and moderate-income persons have been addressed; and

“(ii) issues a waiver and alternative requirement specific to the grant pursuant to subsection (i) to lower the percentage.

“(B) REGULATIONS.—The Secretary shall, by regulation, establish protocols that reflect the required use of funds under subparagraph (A), including persons with extremely and very low incomes.

“(5) PRIORITIZATION.—The grantee shall prioritize activities that—

“(A) assist persons with extremely low-, low-, and moderate-incomes and other vul-

nerable populations to better recover from and withstand future disasters;

“(B) address housing needs arising from a disaster, or those needs present prior to a disaster, including the needs of both renters and homeowners;

“(C) prolong the life of housing and infrastructure;

“(D) use cost-effective means of preventing harm to people and property and incorporate protective features and redundancies; and

“(E) other measures that will assure the continuation of critical services during future disasters.

“(6) PROPORTIONAL ALLOCATION.—For each specific disaster, a grantee under this section shall allocate grant funds proportional to unmet needs between housing activities for renters and homeowners, economic revitalization, and infrastructure unless the Secretary specifically finds that—

“(A) there is a compelling need for a disproportional allocation among those unmet needs; and

“(B) the disproportional allocation described in subparagraph (A) is not inconsistent with the requirements under paragraph (4).

“(7) DISASTER RISK MITIGATION.—

“(A) DEFINITION.—In this paragraph, the term ‘hazard-prone areas’—

“(i) means areas identified by the Secretary, in consultation with the Administrator of the Federal Emergency Management Agency, at risk from natural hazards that threaten property damage or health, safety, and welfare, such as floods, wildfires (including Wildland-Urban Interface areas), earthquakes, lava inundation, tornados, and high winds; and

“(ii) includes areas having special flood hazards as identified under the Flood Disaster Protection Act of 1973 (42 U.S.C. 4002 et seq.) or the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.).

“(B) HAZARD-PRONE AREAS.—The Secretary, in consultation with the Administrator of the Federal Emergency Management Agency, shall establish minimum construction standards, insurance purchase requirements, and other requirements for the use of grant funds in hazard-prone areas.

“(C) SPECIAL FLOOD HAZARDS.—

“(i) IN GENERAL.—For the areas described in subparagraph (A)(ii), the insurance purchase requirements established under subparagraph (B) shall meet or exceed the requirements under section 102(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a(a)).

“(ii) TREATMENT AS FINANCIAL ASSISTANCE.—All grants under this section shall be treated as financial assistance for purposes of section 3(a)(3) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4003(a)(3)).

“(D) CONSIDERATION OF FUTURE RISKS.—The Secretary may consider future risks to protecting property and health, safety, and general welfare, and the likelihood of those risks, when making the determination of or modification to hazard-prone areas under this paragraph.

“(8) RELOCATION.—

“(A) IN GENERAL.—The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.) shall apply to activities assisted under this section to the extent determined by the Secretary in regulation, or as provided in waivers or alternative requirements authorized in accordance with subsection (i).

“(B) POLICY.—Each grantee under this section shall establish a relocation assistance policy that—

“(i) minimizes displacement and describes the benefits available to persons displaced as a direct result of acquisition, rehabilitation, or demolition in connection with an activity

that is assisted by a grant under this section; and

“(ii) includes any appeal rights or other requirements that the Secretary establishes by regulation.

“(d) CERTIFICATIONS.—Any grant under this section shall be made only if the grantee certifies to the satisfaction of the Secretary that—

“(1) the grantee is in full compliance with the requirements under subsection (c)(2);

“(2) for grants other than grants to Indian tribes, the grant will be conducted and administered in conformity with the Civil Rights Act of 1964 (42 U.S.C. 2000a et seq.) and the Fair Housing Act (42 U.S.C. 3601 et seq.);

“(3) the projected use of funds has been developed so as to give maximum feasible priority to activities that will benefit recipients described in subsection (c)(4)(A) and activities described in subsection (c)(5), and may also include activities that are designed to aid in the prevention or elimination of slum and blight to support disaster recovery, meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs, and alleviate future threats to human populations, critical natural resources, and property that an analysis of hazards shows are likely to result from natural disasters in the future;

“(4) the grant funds shall principally benefit persons of low- and moderate-income as described in subsection (c)(4)(A);

“(5) for grants other than grants to Indian tribes, within 24 months of receiving a grant or at the time of its 3- or 5-year update, whichever is sooner, the grantee will review and make modifications to its non-disaster housing and community development plans and strategies required by subsections (c) and (m) of section 104 to reflect the disaster recovery needs identified by the grantee and consistency with the plan under subsection (c)(1);

“(6) the grantee will not attempt to recover any capital costs of public improvements assisted in whole or part under this section by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless—

“(A) funds received under this section are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under this chapter; or

“(B) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that the grantee lacks sufficient funds received under this section to comply with the requirements of subparagraph (A);

“(7) the grantee will comply with the other provisions of this title that apply to assistance under this section and with other applicable laws;

“(8) the grantee will follow a relocation assistance policy that includes any minimum requirements identified by the Secretary; and

“(9) the grantee will adhere to construction standards, insurance purchase requirements, and other requirements for development in hazard-prone areas described in subsection (c)(7).

“(e) PERFORMANCE REVIEWS AND REPORTING.—

“(1) IN GENERAL.—The Secretary shall, on not less frequently than an annual basis

until the closeout of a particular grant allocation, make such reviews and audits as may be necessary or appropriate to determine whether a grantee under this section has—

“(A) carried out activities using grant funds in a timely manner;

“(B) met the performance targets established by paragraph (2);

“(C) carried out activities using grant funds in accordance with the requirements of this section, the other provisions of this title that apply to assistance under this section, and other applicable laws; and

“(D) a continuing capacity to carry out activities in a timely manner.

“(2) PERFORMANCE TARGETS.—The Secretary shall develop and make publicly available critical performance targets for review, which shall include spending thresholds for each year from the date on which funds are obligated by the Secretary to the grantee until such time all funds have been expended.

“(3) FAILURE TO MEET TARGETS.—

“(A) SUSPENSION.—If a grantee under this section fails to meet 1 or more critical performance targets under paragraph (2), the Secretary may temporarily suspend the grant.

“(B) PERFORMANCE IMPROVEMENT PLAN.—If the Secretary suspends a grant under subparagraph (A), the Secretary shall provide to the grantee a performance improvement plan with the specific requirements needed to lift the suspension within a defined time period.

“(C) REPORT.—If a grantee fails to meet the spending thresholds established under paragraph (2), the grantee shall submit to the Secretary, the appropriate committees of Congress, and each member of Congress who represents a district or State of the grantee a written report identifying technical capacity, funding, or other Federal or State impediments affecting the ability of the grantee to meet the spending thresholds.

“(4) COLLECTION OF INFORMATION AND REPORTING.—

“(A) REQUIREMENT TO REPORT.—A grantee under this section shall provide to the Secretary such information as the Secretary may determine necessary for adequate oversight of the grant program under this section.

“(B) PUBLIC AVAILABILITY.—Subject to subparagraph (D), the Secretary shall make information submitted under subparagraph (A) available to the public and to the Inspector General for the Department of Housing and Urban Development.

“(C) SUMMARY STATUS REPORTS.—To increase transparency and accountability of the grant program under this section the Secretary shall, on not less frequently than an annual basis, post on a public facing dashboard summary status reports for all active grants under this section that includes—

“(i) the status of funds by activity;

“(ii) the percentages of funds allocated and expended to benefit low- and moderate-income communities;

“(iii) performance targets, spending thresholds, and accomplishments; and

“(iv) other information the Secretary determines to be relevant for transparency.

“(D) CONSIDERATIONS.—In carrying out this paragraph, the Secretary shall take such actions as may be necessary to ensure that personally identifiable information regarding applicants for assistance provided from funds made available under this section is not made publicly available.

“(E) RESEARCH PARTNERSHIPS.—

“(i) IN GENERAL.—The Secretary may, upon a formal request from researchers, make disaggregated information available to the requestor that is specific and relevant to the research being conducted, and for the pur-

poses of researching program impact and efficacy.

“(ii) PRIVACY PROTECTIONS.—In making information available under clause (i), the Secretary shall protect personally identifiable information as required under section 552a of title 5, United States Code (commonly known as the ‘Privacy Act of 1974’).

“(f) ELIGIBLE ACTIVITIES.—

“(1) IN GENERAL.—Activities assisted under this section—

“(A) may include activities permitted under section 105 or other activities permitted by the Secretary by waiver or alternative requirement pursuant to subsection (i); and

“(B) shall be related to disaster relief, long-term recovery, restoration of housing and infrastructure, economic revitalization, and mitigation in the most impacted and distressed areas resulting from the major disaster for which the grant was awarded.

“(2) PROHIBITION.—Grant funds under this section may not be used for costs reimbursable by, or for which funds have been made available by, the Federal Emergency Management Agency, or the United States Army Corps of Engineers.

“(3) ADMINISTRATIVE COSTS, TECHNICAL ASSISTANCE AND PLANNING.—

“(A) IN GENERAL.—The Secretary shall establish in regulation the maximum grant amounts a grantee may use for administrative costs, technical assistance and planning activities, taking into consideration size of grant, complexity of recovery, and other factors as determined by the Secretary, but not to exceed 8 percent for administration and 20 percent in total.

“(B) AVAILABILITY.—Amounts available for administrative costs for a grant under this section shall be available for eligible administrative costs of the grantee for any grant made under this section, without regard to a particular disaster.

“(C) SUPPLEMENTAL PLAN.—

“(i) IN GENERAL.—Grantees may submit to the Secretary an optional supplemental plan to the grantee plan required under this title specifically for administrative costs, which shall include a description of the use of all grant funds for administrative costs, including for any eligible pre-award program administrative costs, and how such uses will prepare the grantee to more effectively and expeditiously administer funds provided under the full plan.

“(ii) USE OF FUNDS.—If a supplemental plan is approved under clause (i), a grantee may draw down the aforementioned administrative funds before the full grantee plan is approved.

“(iii) WAIVERS.—In carrying out this subparagraph, the Secretary may include any waivers or alternative requirements in accordance with subsection (i).

“(4) PROGRAM INCOME.—Notwithstanding any other provision of law, any grantee under this section may retain program income that is realized from grants made by the Secretary under this section if the grantee agrees that the grantee will utilize the program income in accordance with the requirements for grants under this section, except that the Secretary may—

“(A) by regulation, exclude from consideration as program income any amounts determined to be so small that compliance with this paragraph creates an unreasonable administrative burden on the grantee; or

“(B) permit the grantee to transfer remaining program income to the other grants of the grantee under this title upon closeout of the grant.

“(5) PROHIBITION ON USE OF ASSISTANCE FOR EMPLOYMENT RELOCATION ACTIVITIES.—

“(A) IN GENERAL.—Grants under this section may not be used to assist directly in the

relocation of any industrial or commercial plant, facility, or operation, from one area to another area, if the relocation is likely to result in a significant loss of employment in the labor market area from which the relocation occurs.

“(B) APPLICABILITY.—The prohibition under subparagraph (A) shall not apply to a business that was operating in the disaster-declared labor market area before the incident date of the applicable disaster and has since moved, in whole or in part, from the affected area to another State or to a labor market area within the same State to continue business.

“(6) REQUIREMENTS.—Grants under this section are subject to the requirements of this section, the other provisions of this title that apply to assistance under this section, and other applicable laws, unless modified by waivers or alternative requirements in accordance with subsection (i).

“(g) ENVIRONMENTAL REVIEW.—

“(1) ADOPTION.—A recipient of funds provided under this section that uses the funds to supplement Federal assistance provided under section 203, 402, 403, 404, 406, 407, 408(c)(4), 428, or 502 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170a, 5170b, 5170c, 5172, 5173, 5174(c)(4), 5189f, 5192) may adopt, without review or public comment, any environmental review, approval, or permit performed by a Federal agency, and such adoption shall satisfy the responsibilities of the recipient with respect to such environmental review, approval, or permit under section 104(g)(1), so long as the actions covered by the existing environmental review, approval, or permit and the actions proposed for these supplemental funds are substantially the same.

“(2) APPROVAL OF RELEASE OF FUNDS.—Notwithstanding section 104(g)(2), the Secretary or a State may, upon receipt of a request for release of funds and certification, immediately approve the release of funds for an activity or project to be assisted under this section if the recipient has adopted an environmental review, approval, or permit under paragraph (1) or the activity or project is categorically excluded from review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

“(3) UNITS OF GENERAL LOCAL GOVERNMENT.—The provisions of section 104(g)(4) shall apply to assistance under this section that a State distributes to a unit of general local government.

“(h) FINANCIAL CONTROLS AND PROCEDURES.—

“(1) IN GENERAL.—The Secretary shall develop requirements and procedures to demonstrate that a grantee under this section—

“(A) has adequate financial controls and procurement processes;

“(B) has adequate procedures to detect and prevent fraud, waste, abuse, and duplication of benefit; and

“(C) maintains a comprehensive and publicly accessible website.

“(2) CERTIFICATION.—Before making a grant under this section, the Secretary shall certify that the grantee has in place proficient processes and procedures to comply with the requirements developed under paragraph (1), as determined by the Secretary.

“(3) COMPLIANCE BEFORE ALLOCATION.—The Secretary may permit a State, unit of general local government, or Indian tribe to demonstrate compliance with the requirements for adequate financial controls developed under paragraph (1) before a disaster occurs and before receiving an allocation for a grant under this section.

“(4) DUPLICATION OF BENEFITS.—

“(A) IN GENERAL.—Funds made available under this section shall be used in accordance with section 312 of the Robert T. Staf-

ford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155), as amended by section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115-254), and such rules as may be prescribed under such section 312.

“(B) PENALTIES.—In any case in which the use of grant funds under this section results in a prohibited duplication of benefits, the grantee shall—

“(i) apply an amount equal to the identified duplication to any allowable costs of the award consistent with actual, immediate cash requirement;

“(ii) remit any excess amounts to the Secretary to be credited to the obligated, undisbursed balance of the grant consistent with requirements on Federal payments applicable to such grantee; and

“(iii) if excess amounts under clause (ii) are identified after the period of performance or after the closeout of the award, remit such amounts to the Secretary to be credited to the Fund.

“(C) FAILURE TO COMPLY.—Any grantee provided funds under this section or from prior Appropriations Acts under the heading ‘Community Development Fund’ for purposes related to major disasters that fails to comply with section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155) or fails to satisfy penalties to resolve a duplication of benefits shall be subject to remedies for noncompliance under section 111, unless the Secretary publishes a determination in the Federal Register that it is not in the best interest of the Federal Government to pursue remedial actions.

“(i) WAIVERS AND ALTERNATIVE REQUIREMENTS.—

“(1) IN GENERAL.—In administering grants under this section, the Secretary may waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the grantee of those funds (except for requirements related to fair housing, non-discrimination, labor standards, the environment, and the requirements of this section that do not expressly authorize modifications by waiver or alternative requirement), if the Secretary makes a public finding that good cause exists for the waiver or alternative requirement.

“(2) EFFECTIVE DATE.—A waiver or alternative requirement described in paragraph (1) shall not take effect before the date that is 5 days after the date of publication of the waiver or alternative requirement on the website of the Department of Housing and Urban Development or the effective date for any regulation published in the Federal Register.

“(3) PUBLIC NOTIFICATION.—The Secretary shall notify the public of all waivers or alternative requirements described in paragraph (1) in accordance with the requirements of section 7(q)(3) of the Department of Housing and Urban Development Act (42 U.S.C. 3535(q)(3)).

“(j) UNUSED AMOUNTS.—

“(1) DEADLINE TO USE AMOUNTS.—A grantee under this section shall use an amount equal to the grant within 6 years beginning on the date on which the Secretary obligates the amounts to the grantee, as such period may be extended under paragraph (4).

“(2) RECAPTURE.—The Secretary shall recapture and credit to the Fund any amount that is unused by a grantee under this section upon the earlier of—

“(A) the date on which the grantee notifies the Secretary that the grantee has completed all activities identified in the disaster grantee’s plan under subsection (c); or

“(B) the expiration of the 6-year period described in paragraph (1), as such period may be extended under paragraph (4).

“(3) RETENTION OF FUNDS.—Notwithstanding paragraph (1), the Secretary—

“(A) shall allow a grantee under this section to retain amounts needed to close out grants; and

“(B) may allow a grantee under this section to retain up to 10 percent of the remaining funds to support maintenance of the minimal capacity to launch a new program in the event of a future disaster and to support pre-disaster long-term recovery and mitigation planning.

“(4) EXTENSION OF PERIOD FOR USE OF FUNDS.—The Secretary may extend the 6-year period described in paragraph (1) by not more than 4 years, or not more than 6 years for mitigation activities, if—

“(A) the grantee submits to the Secretary—

“(i) written documentation of the exigent circumstances impacting the ability of the grantee to expend funds that could not be anticipated; or

“(ii) a justification that such request is necessary due to the nature and complexity of the program and projects; and

“(B) the Secretary submits a written justification for the extension to the Committee on Appropriations and the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Appropriations and the Committee on Financial Services of the House of Representatives that specifies the period of that extension.

“(k) DEFINITION.—In this section, the term ‘Indian tribe’ has the meaning given the term in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103).”

(e) REGULATIONS.—

(1) PROPOSED RULES.—Following consultation with the Federal Emergency Management Agency, the Small Business Administration, and other Federal agencies, not later than 6 months after the date of enactment of this Act, the Secretary shall issue proposed rules to carry out this Act and the amendments made by this Act and shall provide a 90-day period for submission of public comments on those proposed rules.

(2) FINAL RULES.—Not later than 1 year after the date of enactment of this Act, the Secretary shall issue final regulations to carry out section 124 of the Housing and Community Development Act of 1974, as added by subsection (d).

(f) COORDINATION OF DISASTER RECOVERY ASSISTANCE, BENEFITS, AND DATA WITH OTHER FEDERAL AGENCIES.—

(1) COORDINATION OF DISASTER RECOVERY ASSISTANCE.—In order to ensure a comprehensive approach to Federal disaster relief, long-term recovery, restoration of housing and infrastructure, economic revitalization, and mitigation in the most impacted and distressed areas resulting from a catastrophic major disaster, the Secretary shall coordinate with the Federal Emergency Management Agency, to the greatest extent practicable, in the implementation of assistance authorized under section 124 of the Housing and Community Development Act of 1974, as added by subsection (d).

(2) DATA SHARING AGREEMENTS.—To support the coordination of data to prevent duplication of benefits with other Federal disaster recovery programs while also expediting recovery and reducing burden on disaster survivors, the Department shall establish data sharing agreements that safeguard privacy with relevant Federal agencies to ensure disaster benefits effectively and efficiently reach intended beneficiaries, while using effective means of preventing harm to people and property.

(3) DATA TRANSFER FROM FEMA AND SBA TO HUD.—As permitted and deemed necessary for efficient program execution, and consistent with a computer matching agreement entered into under paragraph (6)(A), the Administrator of the Federal Emergency Management Agency and the Administrator of the Small Business Administration shall provide data on disaster applicants to the Department, including, when necessary, personally identifiable information, disaster recovery needs, and resources determined eligible for, and amounts expended, to the Secretary for all major disasters declared by the President pursuant to section 401 of Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) for the purpose of providing additional assistance to disaster survivors and prevent duplication of benefits.

(4) DATA TRANSFERS FROM HUD TO HUD GRANTEES.—The Secretary is authorized to provide to grantees under section 124 of the Housing and Community Development Act of 1974, as added by subsection (d), offices of the Department, technical assistance providers, and lenders information that in the determination of the Secretary is reasonably available and appropriate to inform the provision of assistance after a major disaster, including information provided to the Secretary by the Administrator of the Federal Emergency Management Agency, the Administrator of the Small Business Administration, or other Federal agencies.

(5) DATA TRANSFERS FROM HUD GRANTEES TO HUD, FEMA, AND SBA.—

(A) REPORTING.—Grantees under section 124 of the Housing and Community Development Act of 1974, as added by subsection (d), shall report information requested by the Secretary on households, businesses, and other entities assisted and the type of assistance provided.

(B) SHARING INFORMATION.—The Secretary shall share information collected under subparagraph (A) with the Federal Emergency Management Agency, the Small Business Administration, and other Federal agencies to support the planning and delivery of disaster recovery and mitigation assistance and other related purposes.

(6) PRIVACY PROTECTION.—The Secretary may make and receive data transfers authorized under this subsection, including the use and retention of that data for computer matching programs, to inform the provision of assistance, assess disaster recovery needs, and prevent the duplication of benefits and other waste, fraud, and abuse, provided that—

(A) the Secretary enters an information sharing agreement or a computer matching agreement, when required by section 522a of title 5, United States Code (commonly known as the “Privacy Act of 1974”), with the Administrator of the Federal Emergency Management Agency, the Administrator of the Small Business Administration, or other Federal agencies covering the transfer of data;

(B) the Secretary publishes intent to disclose data in the Federal Register;

(C) notwithstanding subparagraphs (A) and (B), section 552a of title 5, United States Code, or any other law, the Secretary is authorized to share data with an entity identified in paragraph (4), and the entity is authorized to use the data as described in this section, if the Secretary enters a data sharing agreement with the entity before sharing or receiving any information under transfers authorized by this section, which data sharing agreement shall—

(i) in the determination of the Secretary, include measures adequate to safeguard the privacy and personally identifiable information of individuals; and

(ii) include provisions that describe how the personally identifiable information of an individual will be adequately safeguarded and protected, which requires consultation with the Secretary and the head of each Federal agency the data of which is being shared subject to the agreement.

SEC. 5502. HOME INVESTMENT PARTNERSHIPS REAUTHORIZATION AND IMPROVEMENT ACT.

(a) AUTHORIZATION.—Section 205 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12724) is amended to read as follows:

“SEC. 205. AUTHORIZATION OF PROGRAM.

“The HOME Investment Partnerships Program under subtitle A is hereby authorized. There is authorized such sums as may be necessary to carry out subtitle A.”

(b) INCREASE IN PROGRAM ADMINISTRATION RESOURCES.—Subtitle A of title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12741 et seq.) is amended—

(1) in section 212(c) (42 U.S.C. 12742(c)), by striking “10 percent” and inserting “15 percent”; and

(2) in section 220(b) (42 U.S.C. 12750(b))—

(A) by striking “RECOGNITION.—” and all that follows through “A contribution” and inserting the following: “RECOGNITION.—A contribution”; and

(B) by striking paragraph (2).

(c) MODIFICATION OF JURISDICTIONS ELIGIBLE FOR REALLOCATIONS.—Section 217(d)(3) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12747(d)(3)) is amended by striking “LIMITATION.—Unless otherwise specified” and inserting the following: “LIMITATIONS.—”

“(A) REMOVAL OF PARTICIPATING JURISDICTIONS FROM REALLOCATION.—The Secretary may, upon a finding that such jurisdiction has failed to meet or comply with the requirements of this title, remove a participating jurisdiction from participation in reallocations of funds made available under this title.

“(B) REALLOCATION TO SAME TYPE OF ENTITY.—Unless otherwise specified.”

(d) AMENDMENTS TO QUALIFICATION AS AFFORDABLE HOUSING.—Section 215 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745) is amended—

(1) in subsection (a)—

(A) in paragraph (1)(E), by striking all that follows “purposes of this Act,” and inserting the following: “except upon a foreclosure by a lender (or upon other transfer in lieu of foreclosure) if such action—

“(i) recognizes any contractual or legal rights of public agencies, nonprofit sponsors, or others to take actions that would avoid termination of low-income affordability in the case of foreclosure or transfer in lieu of foreclosure; and

“(ii) is not for the purpose of avoiding low-income affordability restrictions, as determined by the Secretary; and”; and

(B) by adding at the end the following:

“(7) SMALL-SCALE HOUSING.—

“(A) DEFINITION.—In this paragraph, the term ‘small-scale housing’ means housing with not more than 4 rental units.

“(B) ALTERNATIVE REQUIREMENTS.—Small-scale housing shall qualify as affordable housing under this title if—

“(i) the housing bears rents that comply with paragraph (1)(A);

“(ii) each unit is occupied by a household that qualifies as a low-income family;

“(iii) the housing complies with paragraph (1)(D);

“(iv) the housing meets the requirements under paragraph (1)(E); and

“(v) the participating jurisdiction monitors ongoing compliance of the housing with

requirements of this title in a manner consistent with the purposes of section 226(b), as determined by the Secretary.”; and

(2) in subsection (b)(1), by inserting “(defined as the amount borrowed by the homebuyer to purchase the home, or estimated value after rehabilitation, which may be adjusted to account for the limits on future value imposed by the resale restriction)” after “purchase price”.

(e) ELIMINATION OF COMMITMENT DEADLINE.—

(1) IN GENERAL.—Section 218 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12748) is amended—

(A) by striking subsection (g); and

(B) by redesignating subsection (h) as subsection (g).

(2) CONFORMING AMENDMENT.—Section 218(c) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12748(c)) is amended—

(A) in paragraph (1), by adding “and” at the end;

(B) by striking paragraph (2);

(C) by redesignating paragraph (3) as paragraph (2); and

(D) in paragraph (2), as so redesignated, by striking “section 224” and inserting “section 223”.

(f) REFORM OF HOMEOWNERSHIP RESALE RESTRICTIONS.—Section 215 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745), as amended by this section, is amended—

(1) in subsection (b)—

(A) in paragraph (2), by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively, and adjusting the margins accordingly;

(B) by striking paragraph (3);

(C) by redesignating paragraphs (1), (2), and (4) as subparagraphs (A), (B), and (D), respectively, and adjusting the margins accordingly;

(D) by inserting after subparagraph (B), as so redesignated, the following:

“(C) is subject to restrictions that are established by the participating jurisdiction and determined by the Secretary to be appropriate, including with respect to the useful life of the property, to—

“(i) require that any subsequent purchase of the property be—

“(I) only by a person who meets the qualifications specified under subparagraph (B); and

“(II) at a price that is determined by a formula or method established by the participating jurisdiction that provides the owner with a reasonable return on investment, which may include a percentage of the cost of any improvements; or

“(ii) recapture the investment provided under this title in order to assist other persons in accordance with the requirements of this title, except where there are no net proceeds or where the net proceeds are insufficient to repay the full amount of the assistance; and”; and

(E) by striking “Housing that is for homeownership” and inserting the following:

“(1) QUALIFICATION.—Housing that is for homeownership”; and

(F) by adding at the end the following:

“(2) PURCHASE BY COMMUNITY LAND TRUST.—Notwithstanding subparagraph (C)(i) of paragraph (1) and under terms determined by the Secretary, the Secretary may permit a participating jurisdiction to allow a community land trust that used assistance provided under this subtitle for the development of housing that meets the criteria under paragraph (1), to acquire the housing—

“(A) in accordance with the terms of the preemptive purchase option, lease, covenant on the land, or other similar legal instrument of the community land trust when the

terms and rights in the preemptive purchase option, lease, covenant, or legal instrument are and remain subject to the requirements of this title;

“(B) when the purchase is for—

“(i) the purpose of—

“(I) entering into the chain of title;

“(II) enabling a purchase by a person who meets the qualifications specified under paragraph (1)(B) and is on a waitlist maintained by the community land trust, subject to enforcement by the participating jurisdiction of all applicable requirements of this subtitle, as determined by the Secretary;

“(III) performing necessary rehabilitation and improvements; or

“(IV) adding a subsidy to preserve affordability, which may be from Federal or non-Federal sources; or

“(ii) another purpose determined appropriate by the Secretary; and

“(C) if, within a reasonable period of time after the applicable purpose under subparagraph (B) of this paragraph is fulfilled, as determined by the Secretary, the housing is then sold to a person who meets the qualifications specified under paragraph (1)(B).

“(3) **SUSPENSION OR WAIVER OF REQUIREMENTS FOR MILITARY MEMBERS.**—A participating jurisdiction, in accordance with terms established by the Secretary, may suspend or waive a requirement under paragraph (1)(B) with respect to housing that otherwise meets the criteria under paragraph (1) if the owner of the housing—

“(A) is a member of a regular component of the armed forces or a member of the National Guard on full-time National Guard duty, active Guard and Reserve duty, or inactive-duty training (as those terms are defined in section 101(d) of title 10, United States Code); and

“(B) has received—

“(i) temporary duty orders to deploy with a military unit or military orders to deploy as an individual acting in support of a military operation, to a location that is not within a reasonable distance from the housing, as determined by the Secretary, for a period of not less than 90 days; or

“(ii) orders for a permanent change of station.

“(4) **SUSPENSION OR WAIVER OF REQUIREMENTS FOR HEIR OR BENEFICIARY OF DECEASED OWNER.**—Notwithstanding subparagraph (C) of paragraph (1), housing that meets the criteria under that paragraph prior to the death of an owner may continue to qualify as affordable housing if—

“(A) the housing is the principal residence of an heir or beneficiary of the deceased owner, as defined by the Secretary; and

“(B) the heir or beneficiary, in accordance with terms established by the Secretary, assumes the duties and obligations of the deceased owner with respect to funds provided under this title.”.

(g) **HOME PROPERTY INSPECTIONS.**—Section 226(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12756(b)) is amended—

(1) by striking “Each participating jurisdiction” and inserting the following:

“(1) **IN GENERAL.**—Each participating jurisdiction”; and

(2) by striking “Such review shall include” and all that follows and inserting the following:

“(2) **ON-SITE INSPECTIONS.**—

“(A) **INSPECTIONS BY UNITS OF GENERAL LOCAL GOVERNMENT.**—A review conducted under paragraph (1) by a participating jurisdiction that is a unit of general local government shall include an on-site inspection to determine compliance with housing codes and other applicable regulations.

“(B) **INSPECTIONS BY STATES.**—A review conducted under paragraph (1) by a partici-

pating jurisdiction that is a State shall include an on-site inspection to determine compliance with a national standard as determined by the Secretary.

“(3) **INCLUSION IN PERFORMANCE REPORT AND PUBLICATION.**—A participating jurisdiction shall include in the performance report of the participating jurisdiction submitted to the Secretary under section 108(a), and make available to the public, the results of each review conducted under paragraph (1).”.

(h) **REVISIONS TO STRENGTHEN ENFORCEMENT AND PENALTIES FOR NONCOMPLIANCE.**—Section 223 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12753) is amended—

(1) in the heading, by striking “**PENALTIES FOR MISUSE OF FUNDS**” and inserting “**PROGRAM ENFORCEMENT AND PENALTIES FOR NONCOMPLIANCE**”; and

(2) in the matter preceding paragraph (1), by inserting after “any provision of this subtitle” the following: “, including any provision applicable throughout the period required by section 215(a)(1)(E) and applicable regulations.”;

(3) in paragraph (2), by striking “or” at the end;

(4) in paragraph (3), by striking the period at the end and inserting “; or”; and

(5) by adding at the end the following:

“(4) reduce payments to the participating jurisdiction under this subtitle by an amount equal to the amount of such payments which were not expended in accordance with this title.”.

(i) **TENANT AND PARTICIPANT PROTECTIONS FOR SMALL-SCALE AFFORDABLE HOUSING.**—Section 225 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12755) is amended by adding at the end the following:

“(e) **TENANT SELECTION FOR SMALL-SCALE HOUSING.**—Paragraphs (2) through (4) of subsection (d) shall not apply to the owner of small-scale housing (as defined in section 215(a)(7)).”.

(j) **MODIFICATION OF RULES RELATED TO COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS.**—

(1) **DEFINITIONS OF COMMUNITY HOUSING DEVELOPMENT ORGANIZATION AND COMMUNITY LAND TRUST.**—

(A) **IN GENERAL.**—Section 104 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704) is amended—

(i) in paragraph (6)(B)—

(I) by striking “significant”; and

(II) by striking “and otherwise” and inserting “or as otherwise determined acceptable by the Secretary”; and

(ii) by adding at the end the following:

“(26) The term ‘community land trust’ means a nonprofit entity or a State or local government or instrumentality thereof that—

“(A) is not managed by, or an affiliate of, a for-profit organization;

“(B) has as a primary purpose acquiring, developing, or holding land to provide housing that is permanently affordable to low- and moderate-income persons, and monitors properties to ensure affordability is preserved;

“(C) provides housing described in subparagraph (B) using a ground lease, deed covenant, or other similar legally enforceable measure, as determined by the Secretary, that—

“(i) keeps the housing affordable to low- and moderate-income persons for not less than 30 years; and

“(ii) enables low- and moderate-income persons to rent or purchase the housing for homeownership; and

“(D) maintains preemptive purchase options to purchase the property so the hous-

ing remains affordable to low- and moderate-income persons.”.

(B) **ELIMINATION OF EXISTING DEFINITION OF COMMUNITY LAND TRUST.**—Section 233 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12773) is amended by striking subsection (f).

(2) **SET-ASIDE FOR COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS.**—Section 231 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12771) is amended—

(A) in subsection (a), by striking “to be developed, sponsored, or owned by community housing development organizations” and inserting “when a community housing development organization materially participates in the ownership or development of such housing, as determined by the Secretary”; and

(B) by striking subsection (b) and inserting the following:

“(b) **RECAPTURE AND REUSE.**—If any funds reserved under subsection (a) remain uninvested for a period of 24 months, then the Secretary shall make such funds available to the participating jurisdiction for any eligible activities under this title without regard to whether a community housing development organization materially participates in the use of the funds.”; and

(C) by striking subsection (c).

(k) **TECHNICAL CORRECTIONS.**—The Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12701 et seq.) is amended—

(1) in section 104 (42 U.S.C. 12704)—

(A) by redesignating paragraph (23) (relating to the definition of the term “to demonstrate to the Secretary”) as paragraph (22); and

(B) by redesignating paragraph (24) (relating to the definition of the term “insular area”, as added by section 2(2) of Public Law 102-230) as paragraph (23);

(2) in section 105(b) (42 U.S.C. 12705(b))—

(A) in paragraph (7), by striking “Stewart B. McKinney Homeless Assistance Act” and inserting “McKinney-Vento Homeless Assistance Act”; and

(B) in paragraph (8), by striking “subparagraphs” and inserting “paragraphs”; and

(3) in section 106 (42 U.S.C. 12706), by striking “Stewart B. McKinney Homeless Assistance Act” and inserting “McKinney-Vento Homeless Assistance Act”; and

(4) in section 108(a)(1) (42 U.S.C. 12708(a)(1)), by striking “section 105(b)(15)” and inserting “section 105(b)(18)”;

(5) in section 212 (42 U.S.C. 12742)—

(A) in subsection (a)—

(i) in paragraph (3)(A)(ii), by inserting “United States” before “Housing Act”; and

(ii) by redesignating paragraph (5) as paragraph (4);

(B) in subsection (d)(5), by inserting “United States” before “Housing Act”; and

(C) in subsection (e)(1)—

(i) by striking “section 221(d)(3)(ii)” and inserting “section 221(d)(4)”;

(ii) by striking “not to exceed 140 percent” and inserting “as determined by the Secretary”; and

(6) in section 215(a)(6)(B) (42 U.S.C. 20 12745(a)(6)(B)), by striking “grand children” and inserting “grandchildren”;

(7) in section 217 (42 U.S.C. 12747)—

(A) in subsection (a)—

(i) in paragraph (1), by striking “(3)” and inserting “(2)”;

(ii) by striking paragraph (3), as added by section 211(a)(2)(D) of the Housing and Community Development Act of 1992 (Public Law 102-550; 106 Stat. 3756); and

(iii) by redesignating the remaining paragraph (3), as added by the matter under the heading “HOME INVESTMENT PARTNERSHIPS

PROGRAM” under the heading “HOUSING PROGRAMS” in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993 (Public Law 102-389; 106 Stat. 1581), as paragraph (2); and

(B) in subsection (b)—

(i) in paragraph (1)—

(I) in the first sentence of subparagraph (A)—

(aa) by striking “in regulation” and inserting “, by regulation,”; and

(bb) by striking “eligible jurisdiction” and inserting “eligible jurisdictions”; and

(II) in subparagraph (F)—

(aa) in the first sentence—

(AA) in clause (i), by striking “Subcommittee on Housing and Urban Affairs” and inserting “Subcommittee on Housing, Transportation, and Community Development”; and

(BB) in clause (ii), by striking “Subcommittee on Housing and Community Development of the Committee on Banking, Finance and Urban Affairs” and inserting “Subcommittee on Housing and Insurance of the Committee on Financial Services”; and

(bb) in the second sentence, by striking “the Committee on Banking, Finance and Urban Affairs of the House of Representatives” and inserting “the Committee on Financial Services of the House of Representatives”;

(ii) in paragraph (2)(B), by striking “\$500,000” each place that term appears and inserting “\$750,000”;

(iii) in paragraph (3)—

(I) by striking “\$500,000” each place that term appears and inserting “\$750,000”; and

(II) by striking “, except as provided in paragraph (4)”; and

(iv) by striking paragraph (4);

(8) in section 220(c) (42 U.S.C. 12750(c))—

(A) in paragraph (3), by striking “Secretary” and all that follows and inserting “Secretary.”;

(B) in paragraph (4), by striking “under this title” and all that follows and inserting “under this title.”; and

(C) by redesignating paragraphs (6), (7), and (8) as paragraphs (5), (6), and (7), respectively;

(9) in section 225(d)(4)(B) (42 U.S.C. 12755(d)(4)(B)), by striking “for” the first place that term appears; and

(10) in section 283 (42 U.S.C. 12833)—

(A) in subsection (a), by striking “Banking, Finance and Urban Affairs” and inserting “Financial Services”; and

(B) in subsection (b), by striking “General Accounting Office” each place that term appears and inserting “Government Accountability Office”.

SEC. 5503. RURAL HOUSING SERVICE REFORM ACT.

(a) APPLICATION OF MULTIFAMILY MORTGAGE FORECLOSURE PROCEDURES TO MULTIFAMILY MORTGAGES HELD BY THE SECRETARY OF AGRICULTURE AND PRESERVATION OF THE RENTAL ASSISTANCE CONTRACT UPON FORECLOSURE.—

(1) MULTIFAMILY MORTGAGE PROCEDURES.—Section 363(2) of the Multifamily Mortgage Foreclosure Act of 1981 (12 U.S.C. 3702(2)) is amended—

(A) in subparagraph (D), by striking “and” at the end;

(B) in subparagraph (E), by striking the period at the end and inserting “; or”; and

(C) by adding at the end the following:

“(F) section 514, 515, or 538 of the Housing Act of 1949 (42 U.S.C. 1484, 1485, 1490p).”.

(2) PRESERVATION OF CONTRACT.—Section 521(d) of the Housing Act of 1949 (42 U.S.C. 1490a(d)) is amended by adding at the end the following:

“(3) Notwithstanding any other provision of law in managing and disposing of any mul-

tifamily property that is owned or has a mortgage held by the Secretary, and during the process of foreclosure on any property with a contract for rental assistance under this section—

“(A) the Secretary shall maintain any rental assistance payments that are attached to any dwelling units in the property; and

“(B) the rental assistance contract may be used to provide further assistance to existing projects under 514, 515, or 516.”.

(b) STUDY ON RURAL HOUSING LOANS FOR HOUSING FOR LOW- AND MODERATE-INCOME FAMILIES.—Not later than 6 months after the date of enactment of this Act, the Secretary of Agriculture shall conduct a study and submit to Congress a publicly available report on the loan program under section 521 of the Housing Act of 1949 (42 U.S.C. 1490a), including—

(1) the total amount provided by the Secretary in subsidies under such section 521 to borrowers with loans made pursuant to section 502 of such Act (42 U.S.C. 1472);

(2) how much of the subsidies described in paragraph (1) are being recaptured; and

(3) the amount of time and costs associated with recapturing those subsidies.

(c) AUTHORIZATION OF APPROPRIATIONS FOR STAFFING AND IT UPGRADES.—There is authorized to be appropriated to the Secretary of Agriculture for each of fiscal years 2026 through 2030 such sums as may be necessary for increased staffing needs and information technology upgrades to support all Rural Housing Service programs.

(d) FUNDING FOR TECHNICAL IMPROVEMENTS.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary of Agriculture such sums as may be necessary for fiscal year 2026 for improvements to the technology of the Rural Housing Service of the Department of Agriculture used to process and manage housing loans.

(2) AVAILABILITY.—Amounts appropriated pursuant to paragraph (1) shall remain available until the date that is 5 years after the date of the appropriation.

(3) TIMELINE.—The Secretary of Agriculture shall make the improvements described in paragraph (1) during the 5-year period beginning on the date on which amounts are appropriated under paragraph (1).

(e) PERMANENT ESTABLISHMENT OF HOUSING PRESERVATION AND REVITALIZATION PROGRAM.—Title V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.) is amended by adding at the end the following:

“SEC. 545. HOUSING PRESERVATION AND REVITALIZATION PROGRAM.

“(a) ESTABLISHMENT.—The Secretary shall carry out a program under this section for the preservation and revitalization of multifamily rental housing projects financed under section 514, 515, or 516.

“(b) NOTICE OF MATURING LOANS.—

“(1) TO OWNERS.—On an annual basis, the Secretary shall provide written notice to each owner of a property financed under section 514, 515, or 516 that will mature within the 4-year period beginning upon the provision of the notice, setting forth the options and financial incentives that are available to facilitate the extension of the loan term or the option to decouple a rental assistance contract pursuant to subsection (f).

“(2) TO TENANTS.—

“(A) IN GENERAL.—On an annual basis, for each property financed under section 514, 515, or 516, not later than the date that is 2 years before the date that the loan will mature, the Secretary shall provide written notice to each household residing in the property that informs them of—

“(i) the date of the loan maturity;

“(ii) the possible actions that may happen with respect to the property upon that maturity; and

“(iii) how to protect their right to reside in federally assisted housing, or how to secure housing voucher, after that maturity.

“(B) LANGUAGE.—Notice under this paragraph shall be provided in plain English and shall be translated to other languages in the case of any property located in an area in which a significant number of residents speak such other languages.

“(C) LOAN RESTRUCTURING.—Under the program under this section, in any circumstance in which the Secretary proposes a restructuring to an owner or an owner proposes a restructuring to the Secretary, the Secretary may restructure such existing housing loans, as the Secretary considers appropriate, for the purpose of ensuring that those projects have sufficient resources to preserve the projects to provide safe and affordable housing for low-income residents and farm laborers, by—

“(1) reducing or eliminating interest;

“(2) deferring loan payments;

“(3) subordinating, reducing, or reamortizing loan debt;

“(4) providing other financial assistance, including advances, payments, and incentives (including the ability of owners to obtain reasonable returns on investment) required by the Secretary; and

“(5) permanently removing a portion of the housing units from income restrictions when sustained vacancies have occurred.

“(d) RENEWAL OF RENTAL ASSISTANCE.—

“(1) IN GENERAL.—When the Secretary proposes to restructure a loan or agrees to the proposal of an owner to restructure a loan pursuant to subsection (c), the Secretary shall offer to renew the rental assistance contract under section 521(a)(2) for a term that is the shorter of 20 years and the term of the restructured loan, subject to annual appropriations, provided that the owner agrees to bring the property up to such standards that will ensure maintenance of the property as decent, safe, and sanitary housing for the full term of the rental assistance contract.

“(2) ADDITIONAL RENTAL ASSISTANCE.—With respect to a project described in paragraph (1), if rental assistance is not available for all households in the project for which the loan is being restructured pursuant to subsection (c), the Secretary may extend such additional rental assistance to unassisted households at that project as is necessary to make the project safe and affordable to low-income households.

“(e) RESTRICTIVE USE AGREEMENTS.—

“(1) REQUIREMENT.—As part of the preservation and revitalization agreement for a project, the Secretary shall obtain a restrictive use agreement that is recorded and obligates the owner to operate the project in accordance with this title.

“(2) TERM.—

“(A) NO EXTENSION OF RENTAL ASSISTANCE CONTRACT.—Except when the Secretary enters into a 20-year extension of the rental assistance contract for a project, the term of the restrictive use agreement for the project shall be consistent with the term of the restructured loan for the project.

“(B) EXTENSION OF RENTAL ASSISTANCE CONTRACT.—If the Secretary enters into a 20-year extension of the rental assistance contract for a project, the term of the restrictive use agreement for the project shall be for the longer of—

“(i) 20 years; or

“(ii) the remaining term of the loan for that project.

“(C) TERMINATION.—The Secretary may terminate the 20-year use restrictive use agreement for a project before the end of the

term of the agreement if the 20-year rental assistance contract for the project with the owner is terminated at any time for reasons outside the control of the owner.

“(f) DECOUPLING OF RENTAL ASSISTANCE.—

“(1) RENEWAL OF RENTAL ASSISTANCE CONTRACT.—If the Secretary determines that a loan maturing during the 4-year period beginning upon the provision of the notice required under subsection (b)(1) for a project cannot reasonably be restructured in accordance with subsection (c) because it is not financially feasible or the owner does not agree with the proposed restructuring, and the project was operating with rental assistance under section 521 and the recipient is a borrower under section 514 or 515, the Secretary may renew the rental assistance contract, notwithstanding any requirement under section 521 that the recipient be a current borrower under section 514 or 515, for a term of 20 years, subject to annual appropriations.

“(2) ADDITIONAL RENTAL ASSISTANCE.—With respect to a project described in paragraph (1), if rental assistance is not available for all households in the project for which the loan is being restructured pursuant to subsection (c), the Secretary may extend such additional rental assistance to unassisted households at that project as is necessary to make the project safe and affordable to low-income households.

“(3) RENTS.—

“(A) IN GENERAL.—Any agreement to extend the term of the rental assistance contract under section 521 for a project shall obligate the owner to continue to maintain the project as decent, safe, and sanitary housing and to operate the development as affordable housing in a manner that meets the goals of this title.

“(B) RENT AMOUNTS.—Subject to subparagraph (C), in setting rents, the Secretary—

“(i) shall determine the maximum initial rent based on current fair market rents established under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f); and

“(ii) may annually adjust the rent determined under clause (i) by the operating cost adjustment factor as provided under section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note).

“(C) HIGHER RENT.—

“(i) IN GENERAL.—Subparagraph (B) shall not apply if the Secretary determines that the budget-based needs of a project require a higher rent than the rent described in subparagraph (B).

“(ii) RENT.—If the Secretary makes a positive determination under clause (i), the Secretary may approve a budget-based rent level for the project.

“(4) CONDITIONS FOR APPROVAL.—Before the approval of a rental assistance contract authorized under this section, the Secretary shall require, through an annual notice in the Federal Register, the owner to submit to the Secretary a plan that identifies financing sources and a timetable for renovations and improvements determined to be necessary by the Secretary to maintain and preserve the project.

“(g) MULTIFAMILY HOUSING TRANSFER TECHNICAL ASSISTANCE.—Under the program under this section, the Secretary may provide grants to qualified nonprofit organizations and public housing agencies to provide technical assistance, including financial and legal services, to borrowers under loans under this title for multifamily housing to facilitate the acquisition or preservation of such multifamily housing properties in areas where the Secretary determines there is a risk of loss of affordable housing.

“(h) ADMINISTRATIVE EXPENSES.—Of any amounts made available for the program under this section for any fiscal year, the Secretary may use not more than \$1,000,000 for administrative expenses for carrying out such program.

“(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the program under this section such sums as may be necessary for each of fiscal years 2026 through 2030.

“(j) RULEMAKING.—

“(1) IN GENERAL.—Not later than 180 days after the date of enactment of the Renewing Opportunity in the American Dream to Housing Act of 2025, the Secretary shall—

“(A) publish an advance notice of proposed rulemaking; and

“(B) consult with appropriate stakeholders.

“(2) INTERIM FINAL RULE.—Not later than 1 year after the date of enactment of the Renewing Opportunity in the American Dream to Housing Act of 2025, the Secretary shall publish an interim final rule to carry out this section.”

(f) RENTAL ASSISTANCE CONTRACT AUTHORITY.—Section 521(d) of the Housing Act of 1949 (42 U.S.C. 1490a(d)), as amended by this section, is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively;

(B) by inserting after subparagraph (A) the following:

“(B) upon request of an owner of a project financed under section 514 or 515, the Secretary is authorized to enter into renewal of such agreements for a period of 20 years or the term of the loan, whichever is shorter, subject to amounts made available in appropriations Acts;”;

(C) in subparagraph (C), as so redesignated, by striking “subparagraph (A)” and inserting “subparagraphs (A) and (B)”; and

(D) in subparagraph (D), as so redesignated, by striking “subparagraphs (A) and (B)” and inserting “subparagraphs (A), (B), and (C)”;

(2) in paragraph (2), by striking “shall” and inserting “may”; and

(3) by adding at the end the following:

“(4) In the case of any rental assistance contract authority that becomes available because of the termination of assistance on behalf of an assisted family—

“(A) at the option of the owner of the rental project, the Secretary shall provide the owner a period of not more than 6 months before unused assistance is made available pursuant to subparagraph (B) during which the owner may use such assistance authority to provide assistance on behalf of an eligible unassisted family that—

“(i) is residing in the same rental project in which the assisted family resided before the termination; or

“(ii) newly occupies a dwelling unit in the rental project during that 6-month period; and

“(B) except for assistance used as provided in subparagraph (A), the Secretary shall use such remaining authority to provide assistance on behalf of eligible families residing in other rental projects originally financed under section 514, 515, or 516.”

(g) MODIFICATIONS TO LOANS AND GRANTS FOR MINOR IMPROVEMENTS TO FARM HOUSING AND BUILDINGS; INCOME ELIGIBILITY.—Section 504(a) of the Housing Act of 1949 (42 U.S.C. 1474(a)) is amended—

(1) in the first sentence, by inserting “and may make a loan to an eligible low-income applicant” after “applicant”;

(2) by inserting “Not less than 60 percent of loan funds made available under this section shall be reserved and made available for very

low-income applicants.” after the first sentence; and

(3) by striking “\$7,500” and inserting “\$15,000”.

(h) RURAL COMMUNITY DEVELOPMENT INITIATIVE.—Subtitle E of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009 et seq.) is amended by adding at the end the following:

“SEC. 3810. RURAL COMMUNITY DEVELOPMENT INITIATIVE.

“(a) DEFINITIONS.—In this section:

“(1) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—

“(A) a private, nonprofit community-based housing or community development organization;

“(B) a rural community; or

“(C) a federally recognized Indian tribe.

“(2) ELIGIBLE INTERMEDIARY.—The term ‘eligible intermediary’ means a qualified—

“(A) private, nonprofit organization; or

“(B) public organization.

“(b) ESTABLISHMENT.—The Secretary shall establish a Rural Community Development Initiative, under which the Secretary shall provide grants to eligible intermediaries to carry out programs to provide financial and technical assistance to eligible entities to develop the capacity and ability of eligible entities to carry out projects to improve housing, community facilities, and community and economic development projects in rural areas.

“(c) AMOUNT OF GRANTS.—The amount of a grant provided to an eligible intermediary under this section shall be not more than \$250,000.

“(d) MATCHING FUNDS.—

“(1) IN GENERAL.—An eligible intermediary receiving a grant under this section shall provide matching funds from other sources, including Federal funds for related activities, in an amount not less than the amount of the grant.

“(2) WAIVER.—The Secretary may waive paragraph (1) with respect to a project that would be carried out in a persistently poor rural region, as determined by the Secretary.”

(i) ANNUAL REPORT ON RURAL HOUSING PROGRAMS.—Title V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.), as amended by this section, is amended by adding at the end the following:

“SEC. 546. ANNUAL REPORT.

“(a) IN GENERAL.—The Secretary shall submit to the appropriate committees of Congress and publish on the website of the Department of Agriculture an annual report on rural housing programs carried out under this title, which shall include significant details on the health of Rural Housing Service programs, including—

“(1) raw data sortable by programs and by region regarding loan performance;

“(2) the housing stock of those programs, including information on why properties end participation in those programs, such as for maturation, prepayment, foreclosure, or other servicing issues; and

“(3) risk ratings for properties assisted under those programs.

“(b) PROTECTION OF INFORMATION.—The data included in each report required under subsection (a) may be aggregated or anonymized to protect participant financial or personal information.”

(j) GAO REPORT ON RURAL HOUSING SERVICE TECHNOLOGY.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress a report that includes—

(1) an analysis of how the outdated technology used by the Rural Housing Service impacts participants in the programs of the Rural Housing Service;

(2) an estimate of the amount of funding that is needed to modernize the technology used by the Rural Housing Service; and

(3) an estimate of the number and type of new employees the Rural Housing Service needs to modernize the technology used by the Rural Housing Service.

(k) ADJUSTMENT TO RURAL DEVELOPMENT VOUCHER AMOUNT.—

(1) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary of Agriculture shall issue regulations to establish a process for adjusting the voucher amount provided under section 542 of the Housing Act of 1949 (42 U.S.C. 1490r) after the issuance of the voucher following an interim or annual review of the amount of the voucher.

(2) INTERIM REVIEW.—The interim review described in paragraph (1) shall, at the request of a tenant, allow for a recalculation of the voucher amount when the tenant experiences a reduction in income, change in family composition, or change in rental rate.

(3) ANNUAL REVIEW.—

(A) IN GENERAL.—The annual review described in paragraph (1) shall require tenants to annually recertify the family composition of the household and that the family income of the household does not exceed 80 percent of the area median income at a time determined by the Secretary of Agriculture.

(B) CONSIDERATIONS.—If a tenant does not recertify the family composition and family income of the household within the time frame required under subparagraph (A), the Secretary of Agriculture—

(i) shall consider whether extenuating circumstances caused the delay in recertification; and

(ii) may alter associated consequences for the failure to recertify based on those circumstances.

(C) EFFECTIVE DATE.—Following the annual review of a voucher under paragraph (1), the updated voucher amount shall be effective on the 1st day of the month following the expiration of the voucher.

(4) DEADLINE.—The process established under paragraph (1) shall require the Secretary of Agriculture to review and update the voucher amount described in paragraph (1) for a tenant not later than 60 days before the end of the voucher term.

(1) ELIGIBILITY FOR RURAL HOUSING VOUCHERS.—Section 542 of the Housing Act of 1949 (42 U.S.C. 1490r) is amended by adding at the end the following:

“(c) ELIGIBILITY OF HOUSEHOLDS IN SECTIONS 514, 515, AND 516 PROJECTS.—The Secretary may provide rural housing vouchers under this section for any low-income household (including those not receiving rental assistance) residing for a term longer than the remaining term of their lease that is in effect on the date of prepayment, foreclosure, or mortgage maturity, in a property financed with a loan under section 514 or 515 or a grant under section 516 that has—

“(1) been prepaid with or without restrictions imposed by the Secretary pursuant to section 502(c)(5)(G)(ii)(I);

“(2) been foreclosed; or

“(3) matured after September 30, 2005.”.

(m) AMOUNT OF VOUCHER ASSISTANCE.—Notwithstanding any other provision of law, in the case of any rural housing voucher provided pursuant to section 542 of the Housing Act of 1949 (42 U.S.C. 1490r), the amount of the monthly assistance payment for the household on whose behalf the assistance is provided shall be determined as provided in subsection (a) of such section 542, including providing for interim and annual review of the voucher amount in the event of a change in household composition or income or rental rate.

(n) TRANSFER OF MULTIFAMILY RURAL HOUSING PROJECTS.—Section 515 of the Housing Act of 1949 (42 U.S.C. 1485) is amended—

(1) in subsection (h), by adding at the end the following:

“(3) TRANSFER TO NONPROFIT ORGANIZATIONS.—A nonprofit or public body purchaser, including a limited partnership with a general partner with the principal purpose of providing affordable housing, may purchase a property for which a loan is made or insured under this section that has received a market value appraisal, without addressing rehabilitation needs at the time of purchase, if the purchaser—

“(A) makes a commitment to address rehabilitation needs during ownership and long-term use restrictions on the property; and

“(B) at the time of purchase, accepts long-term use restrictions on the property.”; and

(2) in subsection (w)(1), in the first sentence in the matter preceding subparagraph (A), by striking “9 percent” and inserting “25 percent”.

(o) EXTENSION OF LOAN TERM.—

(1) IN GENERAL.—Section 502(a)(2) of the Housing Act of 1949 (42 U.S.C. 1472(a)(2)) is amended—

(A) by inserting “(A)” before “The Secretary”; and

(B) in subparagraph (A), as so designated, by striking “paragraph” and inserting “subparagraph”; and

(C) by adding at the end the following:

“(B) The Secretary may refinance or modify the period of any loan, including any refinanced loan, made under this section in accordance with terms and conditions as the Secretary shall prescribe, but in no event shall the total term of the loan from the date of the refinance or modification exceed 40 years.”.

(2) APPLICATION.—The amendment made under paragraph (1) shall apply with respect to loans made under section 502 of the Housing Act of 1949 (42 U.S.C. 1472) before, on, or after the date of enactment of this Act.

(p) RELEASE OF LIABILITY FOR SECTION 502 GUARANTEED BORROWER UPON ASSUMPTION OF ORIGINAL LOAN BY NEW BORROWER.—Section 502(h)(10) of the Housing Act of 1949 (42 U.S.C. 1472(h)(10)) is amended to read as follows:

“(10) TRANSFER AND ASSUMPTION.—Upon the transfer of property for which a guaranteed loan under this subsection was made and the assumption of the guaranteed loan by an approved eligible borrower, the original borrower of a guaranteed loan under this subsection shall be relieved of liability with respect to the loan.”.

(q) DEPARTMENT OF AGRICULTURE LOAN RESTRICTIONS.—

(1) DEFINITIONS.—In this subsection, the terms “State” and “Tribal organization” have the meanings given those terms in section 658P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n).

(2) REVISION.—The Secretary of Agriculture shall revise section 3555.102(c) of title 7, Code of Federal Regulations, to exclude from the restriction under that section—

(A) a home-based business that is a licensed, registered, or regulated child care provider under State law or by a Tribal organization; and

(B) an applicant that has applied to become a licensed, registered or regulated child care provider under State law or by a Tribal organization.

(r) LOAN GUARANTEES.—Section 502(h)(4) of the Housing Act of 1949 (42 U.S.C. 1472(h)(4)) is amended—

(1) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively;

(2) by striking “Loans may be guaranteed” and inserting the following:

“(A) DEFINITION.—In this paragraph, the term ‘accessory dwelling unit’ means a single, habitable living unit—

“(i) with means of separate ingress and egress;

“(ii) that is usually subordinate in size;

“(iii) that can be added to, created within, or detached from a primary 1-unit, single-family dwelling; and

“(iv) in combination with a primary 1-unit, single family dwelling, constitutes a single interest in real estate.

“(B) SINGLE FAMILY REQUIREMENT.—Loans may be guaranteed”; and

(3) by adding at the end the following:

“(C) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to prohibit the leasing of an accessory dwelling unit or the use of rental income derived from such a lease to qualify for a loan guaranteed under this subsection—

“(i) after the date of enactment of the Renewing Opportunity in the American Dream to Housing Act of 2025; and

“(ii) if the property that is the subject of the loan was constructed before the date of enactment of the Renewing Opportunity in the American Dream to Housing Act of 2025.”.

(s) APPLICATION REVIEW.—

(1) SENSE OF CONGRESS.—It is the sense of Congress, not later than 90 days after the date on which the Secretary of Agriculture receives an application for a loan, grant, or combined loan and grant under section 502 or 504 of the Housing Act of 1949 (42 U.S.C. 1472, 1474), the Secretary of Agriculture should—

(A) review the application;

(B) complete the underwriting;

(C) make a determination of eligibility with respect to the application; and

(D) notify the applicant of determination.

(2) REPORT.—

(A) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, and annually thereafter until the date described in subparagraph (B), the Secretary of Agriculture shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report—

(i) detailing the timeliness of eligibility determinations and final determinations with respect to applications under sections 502 and 504 of the Housing Act of 1949 (42 U.S.C. 1472, 1474), including justifications for any eligibility determinations taking longer than 90 days; and

(ii) that includes recommendations to shorten the timeline for notifications of eligibility determinations described in clause (i) to not more than 90 days.

(B) DATE DESCRIBED.—The date described in this subparagraph is the date on which, during the preceding 5-year period, the Secretary of Agriculture provides each eligibility determination described in subparagraph (A) during the 90-day period beginning on the date on which each application is received.

SEC. 5504. NEW MOVING TO WORK COHORT.

(a) DEFINITIONS.—In this section:

(1) MOVING TO WORK DEMONSTRATION.—The term “Moving to Work demonstration” means the Moving to Work demonstration authorized under section 204 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437f note).

(2) SECRETARY.—The term “Secretary” means the Secretary of Housing and Urban Development.

(b) AUTHORIZATION OF ADDITIONAL PUBLIC HOUSING AGENCIES.—

(1) IN GENERAL.—After the completion of the initial report required under subsection

(h)(2), the Secretary may add up to an additional 25 public housing agencies that are designated as high performing agencies under the Public Housing Assessment System or the Section 8 Management Assessment Program to participate in a new cohort as part of the Moving to Work demonstration.

(2) NAME.—The new cohort authorized under paragraph (1) shall be entitled the “Economic Opportunity and Pathways to Independence Cohort”.

(c) WAIVER AUTHORITY.—

(1) IN GENERAL.—Subject to paragraph (2), the authority of the Secretary to grant waivers to agencies admitted to the Moving to Work demonstration under this section or to designate policy changes as part of a cohort design under this section shall be limited to the waivers codified as of January 2025 in Appendix I of the document of the Department of Housing and Urban Development entitled “Operations Notice for the Expansion of the Moving to Work Demonstration Program” (FR-5994-N-05) published in the Federal Register on August 28, 2020, as amended by the notice entitled “Operations Notice for Expansion of the Moving to Work Demonstration Program Technical Revisions” (FR-5994-N-06) published in the Federal Register on March 20, 2025.

(2) EXCEPTIONS.—Under paragraph (1), the Secretary may not grant waivers 1c, 1d, 1e, 1f, 1k, 1l, 1o, 1p, 1q, 6, 7, 9a, 9h, or 12 in the document described in paragraph (1), including modifications of or safe harbor requirement waivers for such waivers.

(3) POLICY OPTIONS.—In carrying out the Moving to Work demonstration cohort established under this section, the Secretary may consider policy options to provide opt-out savings or escrow accounts and report positive rental payments to consumer reporting agencies (as defined in section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a)) with resident consent.

(d) FUNDING AND USE OF FUNDS.—

(1) IN GENERAL.—Public housing agencies in the cohort authorized under this section may expend not more than 5 percent of the amounts those public housing agencies receive in any fiscal year for housing assistance payments under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) for purposes other than such housing assistance payments.

(2) OTHER USES.—Such other uses of amounts described in paragraph (1) shall comply with all other applicable requirements.

(3) FORMULA.—

(A) RENEWAL.—The amount of funding public housing agencies receive for renewal of housing assistance payments under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) shall be determined according to the same funding formula applicable to public housing agencies that do not participate in the Moving to Work demonstration, except that the Secretary shall provide public housing agencies funding to renew any funds expended under this subsection, with an adjustment for inflation.

(B) ADMINISTRATIVE FEES.—The amount of funding public housing agencies receive for administrative fees under section 8(q) of the United States Housing Act of 1937 (42 U.S.C. 1437f(q)), public housing operating subsidies under section 9(e) of the United States Housing Act of 1937 (42 U.S.C. 1437g(e)), and public housing capital funding under section 9(d) of the United States Housing Act of 1937 (42 U.S.C. 1437g(d)) shall be determined according to the same funding formula applicable to public housing agencies that do not participate in the Moving to Work demonstration.

(e) SELECTION REQUIREMENTS.—The Secretary shall select public housing agencies designated under this section through a competitive process, as determined by the Secretary, with the following parameters:

(1) No public housing agency shall be granted this designation under this section that administers more than 27,000 aggregate housing vouchers and public housing units.

(2) Of the public housing agencies selected under this section, not more than 12 shall administer 1,000 or fewer aggregate housing vouchers and public housing units, not more than 8 shall administer between 1,001 and 6,000 aggregate housing vouchers and public housing units, and not more than 5 shall administer between 6,001 and 27,000 aggregate housing vouchers and public housing units.

(3) Selection of public housing agencies under this section shall be based on ensuring the geographic diversity of Moving to Work demonstration public housing agencies.

(4) Within the requirements under paragraphs (1) through (3), the Secretary shall prioritize selecting public housing agencies that serve families with children and youth aging out of foster care at a rate above the national average.

(f) REQUIREMENTS FOR SELECTED PUBLIC HOUSING AGENCIES.—Consistent with section 204(c)(3) of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437f note), public housing agencies selected for the Moving to Work demonstration under this section shall—

(1) ensure that not less than 75 percent of the families assisted are very low-income families, as defined in section 3(b)(2)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)(B));

(2) establish a reasonable rent policy, which shall be designed to encourage employment and self-sufficiency by participating families, consistent with the purpose of the Moving to Work demonstration, such as by excluding some or all of a family's earned income for purposes of determining rent;

(3) continue to assist substantially the same total number of eligible low-income families as would have been served had the amounts not been combined;

(4) maintain a comparable mix of families (by family size) as would have been provided had the amounts not been used under the Moving to Work demonstration; and

(5) assure that housing assisted under the Moving to Work demonstration meets housing quality standards established or approved by the Secretary.

(g) NONCOMPLIANCE.—

(1) IN GENERAL.—If the Secretary finds that a public housing agency participating in the cohort authorized under this section is not in compliance with the requirements under this section, the Secretary shall make a determination of noncompliance.

(2) COMPLIANCE.—Upon making a determination under paragraph (1), the Secretary shall develop a process to bring the public housing agency into compliance.

(3) REMOVAL.—If a public housing agency cannot be brought into compliance under the process developed under paragraph (2), the Secretary shall remove the participating public housing agency from the cohort and replace it with a similarly qualified public housing agency currently not in the cohort chosen in the manner described in subsection (e).

(4) NOTIFICATION.—Upon removing a public housing agency under paragraph (3), the Secretary shall immediately submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives—

(A) a notification of the removal; and

(B) a report on the active steps the Secretary is taking to replace the public housing agency with a new public housing agency.

(h) COMPREHENSIVE MOVING TO WORK REPORTING AND OVERSIGHT REQUIREMENTS.—

(1) COHORT RESEARCH.—

(A) IN GENERAL.—The Secretary shall continue ongoing research investigations commenced as part of the assessment of the cohorts established under section 239 of the Department of Housing and Urban Development Appropriations Act, 2016 (42 U.S.C. 1437f note; Public Law 114-113), make public all products completed as part of those investigations, and keep such products online for at least 5 years.

(B) COORDINATION.—The Secretary shall coordinate with the advisory committee established under section 239 of the Department of Housing and Urban Development Appropriations Act, 2016 (42 U.S.C. 1437f note; Public Law 114-113) to establish a research program to evaluate the outcomes and efficacy of the following for all Moving to Work demonstration agencies designated under the authority under such section and this section:

(i) The waivers granted to each cohort and whether those waivers accomplish the goals of achieving greater cost effectiveness and administrative capacity, incentivizing families to become economically self-sufficient, and increasing housing choice.

(ii) The additional flexibilities granted to individual public housing agencies under each cohort.

(iii) How the flexibilities described in clause (ii) were used for local, non-traditional activities.

(2) COMPREHENSIVE REPORTING REQUIREMENT.—Not later than 180 days after the date of enactment of this Act, and annually thereafter, the Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report that contains the following for each Moving to Work demonstration cohort under section 204 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437f note), section 239 of the Department of Housing and Urban Development Appropriations Act, 2016 (42 U.S.C. 1437f note; Public Law 114-113), and this section:

(A) The annual administrative plans of each Moving to Work demonstration public housing agency.

(B) Assessments of longitudinal data, including data on units, households, and outcomes, which shall be evaluated to compare changes in the following trends before and after Moving to Work demonstration designation:

(i) Impacts on tenants based on the following, disaggregated by the public housing program and the housing choice voucher program:

(I) Eviction rates.

(II) Hardship policy usage.

(III) Share of rent covered by a household.

(IV) Turnover, including the number of household moves with or without continued assistance.

(V) Reasons for exit from the program.

(VI) The number and characteristics of households served, including households with a non-elderly family member with a disability, 3 or more minors, homelessness status at the time of admission, and average and median income as a percent of area median income.

(ii) Impacts on public housing agency operations based on the following:

(I) The number of units, broken down by type.

(II) The size, including the number of bedrooms per unit, accessibility, affordability, and quality of units.

(III) The length of each waitlist maintained and average wait times.

(IV) Changes in capital backlog needs and surplus fund and reserve levels.

(V) The number of public housing units undergoing a conversion under the rental assistance demonstration program authorized under the Department of Housing and Urban Development Appropriations Act, 2012 (Public Law 112-55; 125 Stat. 673) or demolition or disposition projects under section 18 of the United States Housing Act of 1937 (42 U.S.C. 1437p), including the number of units lost and the location of any replacement housing resulting from demolition or disposition.

(VI) The share of project-based vouchers compared to tenant-based vouchers.

(VII) The following annual housing choice voucher data:

(aa) Voucher unit utilization rates.
(bb) Voucher budget utilization rates.
(cc) Annualized voucher success rate.
(dd) Demographic composition of households issued vouchers compared to utilized vouchers.

(ee) Average time to lease-up.
(ff) Average cost per voucher.
(gg) Average cost per landlord incentive.

(hh) Ratio of the proportion of voucher households living in concentrated low-income areas to the proportion of renter-occupied units in concentrated low-income areas.

(ii) Characteristics of census tracts where voucher recipients reside.

(VIII) How the public housing agency met each of the statutory requirements in section 204(c)(3) of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437f note).

(iii) Impacts on public housing staffing and capacity, including the average public housing agency operating, administrative, and housing assistance payment expenditures per household per month.

(C) Legislative recommendations for flexibilities that could be expanded to all public housing agencies and how each flexibility enhances housing choice, affordability, and administrative capacity and efficiency for public housing agencies.

(3) PUBLIC AVAILABILITY.—

(A) IN GENERAL.—The Secretary shall maintain all reports submitted pursuant to this section in a manner that is publicly available, accessible, and searchable on the website of the Department of Housing and Urban Development for not less than 5 years.

(B) OTHER INFORMATION.—

(i) IN GENERAL.—Annually, the Secretary shall make the annual plan of the Moving to Work demonstration, the Section 8 administrative plan, and the admission and continued occupancy policy publicly available in 1 location on the website of the Department of Housing and Urban Development for not less than 5 years.

(ii) DATABASE.—The Secretary may establish a searchable database on the website of the Department of Housing and Urban Development to track the types of flexibilities into which Moving to Work demonstration public housing agencies have opted or for which a waiver was approved by the Secretary, disaggregated by year such flexibilities were adopted or approved.

SEC. 5505. REDUCING HOMELESSNESS THROUGH PROGRAM REFORM ACT.

(a) DEFINITIONS.—In this section:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” means—

(A) the Committee on Banking, Housing, and Urban Affairs of the Senate; and

(B) the Committee on Financial Services of the House of Representatives.

(2) AT RISK OF HOMELESSNESS.—The term “at risk of homelessness” has the meaning given the term in section 401 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360).

(3) DEPARTMENT.—The term “Department” means the Department of Housing and Urban Development.

(4) HOMELESS.—The term “homeless” has the meaning given the term in section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302).

(5) PUBLIC HOUSING AGENCY.—The term “public housing agency” has the meaning given the term in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)).

(6) SECRETARY.—The term “Secretary”, except as otherwise provided, means the Secretary of Housing and Urban Development.

(b) ADMINISTRATIVE COSTS FOR THE EMERGENCY SOLUTIONS GRANTS PROGRAM.—Section 418 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11378) is amended by striking “7.5 percent” and inserting “10 percent”.

(c) AMENDMENTS TO THE CONTINUUM OF CARE PROGRAM.—

(1) IN GENERAL.—Subtitle C of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11381 et seq.) is amended—

(A) in section 402(g) (42 U.S.C. 11360a(g))—

(i) by redesignating paragraph (2) as paragraph (3); and

(ii) by inserting after paragraph (1) the following:

“(2) TIME LIMIT ON DESIGNATION.—The Secretary—

“(A) shall accept applications for designation as a unified funding agency annually or biennially, which designation shall be effective for not more than 2 years; and

“(B) may, on an annual or biennial basis, renew any designation under subparagraph (A).”;

(B) in section 422 (42 U.S.C. 11382)—

(i) in subsection (b)—

(I) by striking “The Secretary” and inserting the following:

“(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary”; and

(II) by adding at the end the following:

“(2) 2-YEAR NOTIFICATION.—Subject to the availability of appropriations, the Secretary may issue a notification of funding availability for grants awarded under this subtitle that provides funding for 2 successive fiscal years, which shall—

“(A) award funds for the second year of projects, including adjustments under subsection (f), unless the project is underperforming, as determined by the collaborative applicant, and the collaborative applicant applies to replace the project with a new project; and

“(B) include—

“(i) the method for applying for and awarding projects to replace underperforming projects in year 2;

“(ii) the method for applying for and awarding renewals of expiring grants for projects that were not eligible for renewal in the first fiscal year;

“(iii) the method for allocating any amounts in the second fiscal year that are in excess of the amount needed to fund the second fiscal year of all grants awarded in the first fiscal year;

“(iv) the method of applying for and awarding grants, which are 1-year transition grants awarded by the Secretary to project sponsors for activities under this subtitle to transition from 1 eligible activity to another eligible activity if the recipient—

“(I) has the consent of the continuum of care; and

“(II) meets standards determined by the Secretary;

“(C) announce by notice the award of second fiscal year funding and awards for new and renewal projects; and

“(D) identify the process by which the Secretary may approve replacement of a collaborative applicant that is not a unified funding agency to receive the award in the second fiscal year.”;

(ii) in subsection (c)(2)—

(I) by striking “(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary” and inserting “The Secretary”; and

(II) by striking subparagraph (B); and

(iii) in subsection (e), by striking “1 year” and inserting “2 years”;

(C) in section 423(a) (42 U.S.C. 11383)—

(i) in paragraph (4), in the third sentence—

(I) by striking “, at the discretion of the applicant and the project sponsor.”; and

(II) by inserting “not more than” before “15 years”;

(ii) in paragraph (7), in the matter preceding subparagraph (A), by inserting “payment of not more than 6 months of arrears for rent and utility expenses,” after “moving costs.”; and

(iii) in paragraph (10), by striking “3 percent” and inserting “the greater of either \$70,000 or 5 percent”;

(D) in section 425 (42 U.S.C. 11385), by adding at the end the following:

“(f) ADJUSTMENT OF COSTS.—Not later than 1 year after the date of enactment of this subsection, and on a biennial basis thereafter, the Comptroller General of the United States—

“(1) shall study the hiring, retention, and compensation levels of the workforce providing the services described in subsection (c), including executive directors, case managers, and frontline staff, and examine whether low compensation is undermining program effectiveness;

“(2) shall submit to the appropriate congressional committees a report on any findings, and to the Secretary any recommendations, as the Comptroller General considers appropriate regarding funding levels for the cost of the supportive services and the staffing to provide the services described in subsection (c); and

“(3) in carrying out the study under paragraph (1), may reference the Consumer Price Index or other similar surveys.”;

(E) in section 426 (42 U.S.C. 11386), by adding at the end the following:

“(h) INSPECTIONS.—When complying with inspection requirements for a housing unit provided to a homeless individual or family using assistance under this subtitle, the Secretary may allow a grantee to—

“(1) conduct a pre-inspection not more than 60 days before leasing the unit;

“(2) if the unit is located in a rural or small area, conduct a remote or video inspection of a unit; and

“(3) allow the unit to be leased prior to completion of an inspection if the unit passed an alternative Federal inspection within the preceding 12-month period, so long as the unit is inspected not later than 15 days after the start of the lease.”; and

(F) in section 430 (42 U.S.C. 11386d), by adding at the end the following:

“(d) COSTS PAID BY PROGRAM INCOME.—With respect to grant amounts awarded under this subtitle, costs paid by the program income of a grant recipient may count toward the contributions required under subsection (a) if the costs—

“(1) are eligible expenses under this subtitle;

“(2) meet standards determined by the Secretary; and

“(3) supplement activities carried out by the recipient under this subtitle.”.

(2) OTHER MODIFICATIONS.—

(A) DEFINITIONS.—In this paragraph—

(i) the terms “collaborative applicant” and “eligible entity” have the meanings given those terms in section 401 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360); and

(ii) the terms “Indian tribe” and “tribally designated housing entity” have the meanings given those terms in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103).

(B) NONAPPLICATION OF CIVIL RIGHTS LAWS.—With respect to the funds made available for the Continuum of Care program authorized under subtitle C of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11381 et seq.) under the heading “Homeless Assistance Grants” in the Department of Housing and Urban Development Appropriations Act, 2021 (Public Law 116-260) and under section 231 of the Department of Housing and Urban Development Appropriations Act, 2020 (42 U.S.C. 11364a), title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et seq.) shall not apply to applications by or awards for projects to be carried out—

(i) on or off reservation or trust lands for awards made to Indian tribes or tribally designated housing entities; or

(ii) on reservation or trust lands for awards made to eligible entities.

(C) CERTIFICATION.—With respect to funds made available for the Continuum of Care program authorized under subtitle C of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11381 et seq.) under the heading “Homeless Assistance Grants” under section 231 of the Department of Housing and Urban Development Appropriations Act, 2020 (42 U.S.C. 11364a)—

(i) applications for projects to be carried out on reservations or trust land shall contain a certification of consistency with an approved Indian housing plan developed under section 102 of the Native American Housing Assistance and Self-Determination Act (25 U.S.C. 4112), notwithstanding section 106 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12706) and section 403 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11361);

(ii) Indian tribes and tribally designated housing entities that are recipients of awards for projects on reservations or trust land shall certify that they are following an approved housing plan developed under section 102 of the Native American Housing Assistance and Self-Determination Act (25 U.S.C. 4112); and

(iii) a collaborative applicant for a Continuum of Care whose geographic area includes only reservation and trust land is not required to meet the requirement in section 402(f)(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360a(f)(2)).

(D) AMENDMENTS TO THE HOUSING CHOICE VOUCHER PROGRAM.—Section 8(o)(5) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(5)) is amended by adding at the end the following:

“(C) EXCEPTIONS.—Notwithstanding subparagraph (A)—

“(i) a public housing agency may accept a third party income calculation and verification of family income for purposes of this subsection if—

“(I) the calculation and verification was completed for determination of income eligibility for a Federal program or service during the preceding 12-month period; and

“(II) there has been no change in income or family composition since the calculation and verification under clause (i); and

“(ii) when using prior year income under section 3(a)(7)(B), a public housing agency

shall use the income of the family as determined by the agency or owner for the prior calendar year or another 12-month period ending during the preceding 12 months, taking into consideration any redetermination of income between the start of such prior calendar year or other 12-month period and the date of the annual review.”;

(E) IMPROVING COORDINATION BETWEEN HEALTH CARE SYSTEMS AND SUPPORTIVE SERVICES.—Not later than 180 days after the date of enactment of this Act, the Secretary of Health and Human Services and the Secretary shall seek to enter into an agreement with the National Academies of Sciences, Engineering, and Medicine to conduct and submit to the appropriate congressional committees an evidence-based, nonpartisan analysis that—

(1) reviews the research on linkages between access to affordable health care and homelessness and analyzes the effect of greater coordination and partnerships between health care organizations, mental health and substance use disorder and substance use disorder service providers, and housing service providers, including possible cost-savings from providing greater access to health services, recovery housing, or housing-related supportive services for individuals experiencing chronic homelessness and other types of homelessness; and

(2) includes policy and program recommendations for improving access to health care and housing, health care and housing outcomes, possible cost-savings and efficiencies, and best practices.

(F) DEMONSTRATION AUTHORITY.—

(1) IN GENERAL.—Subtitle A of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360 et seq.) is amended by adding at the end the following:

“SEC. 409. DEMONSTRATION AUTHORITY.

“(a) DEFINITIONS.—In this section:

“(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ‘appropriate congressional committees’ means—

“(A) the Committee on Banking, Housing, and Urban Affairs of the Senate; and

“(B) the Committee on Financial Services of the House of Representatives.

“(2) HEALTH CARE ORGANIZATION.—The term ‘health care organization’ means an entity providing medical or mental and behavioral health care, including—

“(A) a hospital (as defined in section 1861(e) of the Social Security Act (42 U.S.C. 1395x(e)));

“(B) a Federally-qualified health center (as defined in section 1905(1)(2) of the Social Security Act (42 U.S.C. 1396d(1)(2))) or another community health center eligible to receive a grant under section 330 of the Public Health Service Act (42 U.S.C. 254b); and

“(C) a licensed or certified provider of evidence-based substance use disorder services or mental health services providing such services pursuant to funding under a block grant for substance use prevention, treatment, and recovery services or a block grant for community mental health services under subpart II or subpart I, respectively, of part B of title XIX of the Public Health Service Act (42 U.S.C. 300x et seq.).

“(3) HOUSING PROVIDER.—The term ‘housing provider’ means an entity, including a grant recipient under subtitle B or C of this title, a public housing agency (as defined in section 3 of the United States Housing Act of 1937 (42 U.S.C. 1437a)), or a federally funded organization or a nonprofit organization, that administers a program to provide housing services to individuals experiencing or at risk of homelessness, including rapid re-housing, transitional housing, housing choice vouchers, and housing-related supportive services.

“(b) AUTHORITY.—The Secretary may establish demonstration projects or partnerships that involve collaboration between housing providers and healthcare organizations to provide housing-related supportive services, including—

“(1) assistance in coordinating data systems in a manner that is compliant with the Health Insurance Portability and Accountability Act (Public Law 104-191); and

“(2) projects or partnerships that are aimed at serving individuals—

“(A) who are homeless, chronically homeless, or at risk of homelessness; and

“(B) with—

“(i) a high-use of emergency services or emergency departments;

“(ii) chronic disabilities, including physical health or mental health conditions;

“(iii) substance use disorders;

“(iv) serious mental illness; or

“(v) other severe service needs.

“(c) REPORT.—Not later than 2 years after the date of enactment of this Act, and every 4 years thereafter, the Secretary shall submit to the appropriate congressional committees a report on each demonstration project or partnership established under this section.”.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of contents in section 101(b) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11301 note) is amended by inserting after the item relating to section 408 the following:

“Sec. 409. Demonstration authority.”.

(g) STREAMLINING COORDINATED ENTRY.—

(1) AUDIT BY THE COMPTROLLER GENERAL.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall—

(A) conduct a multi-community evaluation of the operations of coordinated assessment systems by the Continuum of Care Program under subtitle C of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11381 et seq.) program to examine the efficiency, accuracy, and outcomes of those operations; and

(B) submit to the appropriate congressional committees on any findings and to the Secretary on any recommendations, as the Comptroller General considers appropriate, for a more effective and efficient coordinated entry process.

(2) ASSESSMENTS.—Not later than 2 years after the date of enactment of this Act, the Secretary shall—

(A) evaluate the coordinated assessment processes under the Continuum of Care Program under subtitle C of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11381 et seq.), which shall include—

(i) a request for information from continuums of care about coordinated entry tools, processes, barriers, documentation barriers, and necessary guidance;

(ii) incorporation of findings from relevant reports and demonstrations of the Department, including the report described in paragraph (1); and

(iii) consultation with organizations with expertise in providing health care to people experiencing homelessness on best practices in assessment tools for prioritizing resources and characterizing chronic homelessness and people experiencing homelessness with high-service needs;

(B) issue an updated notice, which shall include guidance—

(i) on effective assessment processes that remove barriers, streamline access, allow for coordination with public housing agencies, include trauma-informed data collection practices, improve accuracy, address needs for underserved groups, and successfully re-house homeless individuals;

(ii) that includes all key populations and subpopulations, including consideration for age, family status, health status, or other factors, access points, prioritization, and programs and systems serving individuals experiencing homelessness; and

(iii) that allows for local flexibility and tailoring based on the needs and resources within the specific community; and

(C) establish a timely, periodic procedure to request feedback on coordinated assessment and update the guidance, which may include conducting a request for information not less frequently than once every 5 years.

(h) **IMPROVING TARGETED DATA COLLECTION, FUNDING, AND COORDINATION.**—The Secretary shall—

(1) issue not less than 1 request for information on—

(A) improving data collection, including through the use of the Homeless Management Information System or other data systems;

(B) coordination and use of data between housing and homelessness providers and physical, mental, and behavioral health organizations, substance use treatment providers, and the Department of Veterans Affairs for implementation of programs to provide services for people experiencing or at risk of homelessness, including the chronically homeless; and

(C) the potential benefits and risks of using artificial intelligence models for the purpose of improving program coordination and effectiveness and assessing the effectiveness of interventions to house individuals experiencing or at risk of homelessness, including by sub-populations;

(2) consider providing incentives to improve data collection, enhance the use of the Homeless Management Information System, implement community information exchanges, and strengthen the coordination of data from physical, mental, and behavioral health organizations with housing and homelessness providers, in order to target resources for housing, outreach, homelessness prevention, and housing-related supportive services for homeless individuals, or chronically homeless individuals; and

(3) coordinate with the Secretary of the Department of Veterans Affairs to improve coordination between data systems for vouchers provided under section 8(o)(19) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(19)), the Homeless Management Information System, and any other applicable homeless program supported by the Department of Veterans Affairs.

(i) **RULE OF CONSTRUCTION.**— Nothing in this section or the amendments made by this section shall be construed to limit the authority of the Secretary to provide flexibility under housing laws in effect as of the date of enactment of this Act. The flexibilities and waivers authorized under this section and the amendments made by this section shall not replace or result in the termination of other flexibilities and waivers that the Secretary is authorized to exercise.

SEC. 5506. INCENTIVIZING LOCAL SOLUTIONS TO HOMELESSNESS.

Section 414 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11373) is amended by adding at the end the following:

“(f) **FUNDING CAP WAIVER AUTHORITY.**—

“(1) **IN GENERAL.**—Notwithstanding any other provision of law or regulation, a recipient may request a waiver of the spending cap established pursuant to section 415(b) for amounts provided between fiscal years 2026 through 2029.

“(2) **WAIVER REQUEST.**—

“(A) **IN GENERAL.**—A recipient seeking a waiver described in paragraph (1) shall submit to the Secretary a waiver request that includes not more than the following:

“(i) A demonstration of local needs and circumstances that necessitate a waiver.

“(ii) A detailed plan for how the recipient intends to use funds.

“(iii) A justification for how the proposed use of funds supports the most recent Consolidated Annual Performance and Evaluation Report of the recipient.

“(iv) Any public input solicited under subparagraph (B)(ii).

“(B) **NOTIFICATION.**—Each recipient shall—

“(i) notify all subrecipients, including local continuums of care, of the availability of waivers under this subsection; and

“(ii) prior to the submission of a waiver request under subparagraph (A), solicit public input regarding the potential need for and proposed uses of such waiver.

“(C) **APPROVAL; PUBLICATION.**—The Secretary shall—

“(i) make all waiver requests submitted under subparagraph (A) publicly available on the website of the Department of Housing and Urban Development;

“(ii) not later than 60 days after the date on which the Secretary receives a waiver request under subparagraph (A), approve or deny the request; and

“(iii) deny any waiver submitted under subparagraph (A) by a recipient that relocates or threaten to relocate individuals or their property without providing emergency shelter, rapid rehousing, transitional housing, permanent supportive housing, or other permanent housing options.

“(3) **REVOCATION.**—

“(A) **IN GENERAL.**—A waiver approved under this subsection shall remain in effect for each of fiscal years 2026 through 2029 unless the recipient notifies the Secretary in writing that the recipient wishes to revoke the waiver.

“(B) **NOTIFICATION.**—If a recipient revokes a waiver under subparagraph (A), the recipient shall solicit input from subrecipients regarding the revocation and provide a justification for the revocation.

“(C) **PUBLICATION.**—The Secretary shall publish any revocation of a waiver under subparagraph (A) and the justification of the recipient for the waiver on the website of the Department of Housing and Urban Development.”.

TITLE VI—VETERANS AND HOUSING

SEC. 5601. VA HOME LOAN AWARENESS ACT.

(a) **IN GENERAL.**—Subpart A of part 2 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4541 et seq.) is amended by adding at the end the following:

“(i) **SEC. 1329. UNIFORM RESIDENTIAL LOAN APPLICATION.**

“Not later than 6 months after the date of enactment of this section, the Director shall, by regulation or order, require each enterprise to include a disclaimer below the military service question on the form known as the Uniform Residential Loan Application stating, ‘If yes, you may qualify for a VA Home Loan. Consult your lender regarding eligibility.’”.

(b) **GAO STUDY.**—Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study and submit to Congress a report on whether not less than 80 percent of lenders using the Uniform Residential Loan Application have included on that form the disclaimer required under section 1329 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as added by subsection (a).

SEC. 5602. VETERANS AFFAIRS LOAN INFORMED DISCLOSURE (VALID) ACT.

(a) **FHA INFORMED CONSUMER CHOICE DISCLOSURE.**—

(1) **INCLUSION OF INFORMATION RELATING TO VA LOANS.**—Subparagraph (A) of section

203(f)(2) of the National Housing Act (12 U.S.C. 1709(f)(2)(A)) is amended—

(A) by inserting “(i)” after “loan-to-value ratio”; and

(B) by inserting before the semicolon the following: “, and (ii) in connection with a loan guaranteed or insured under chapter 37 of title 38, United States Code, assuming prevailing interest rates”.

(2) **RULE OF CONSTRUCTION.**—Nothing in the amendments made by paragraph (1) shall be construed to require an original lender to determine whether a prospective borrower is eligible for any loan included in the notice required under section 203(f) of the National Housing Act (12 U.S.C. 1709(f)).

(b) **MILITARY SERVICE QUESTION.**—

(1) **IN GENERAL.**—Subpart A of part 2 of subtitle A of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4541 et seq.), as amended by section 601(a) of this Act, is amended by adding at the end the following:

“(i) **SEC. 1330. UNIFORM RESIDENTIAL LOAN APPLICATION.**

“Not later than 6 months after the date of enactment of this section, the Director shall require each enterprise to—

“(1) include a military service question on the form known as the Uniform Residential Loan Application; and

“(2) position the question described in paragraph (1) above the signature line of the Uniform Residential Loan Application.”.

(2) **RULEMAKING.**—Not later than 6 months after the date of enactment of this Act, the Director of the Federal Housing Finance Agency shall issue a rule to carry out the amendment made by this section.

SEC. 5603. HOUSING UNHOUSED DISABLED VETERANS ACT.

(a) **EXCLUSION OF CERTAIN DISABILITY BENEFITS.**—Section 3(b)(4)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(4)(B)) is amended—

(1) by redesignating clauses (iv) and (v) as clauses (vi) and (vii), respectively; and

(2) by inserting after clause (iii) the following:

“(iv) for the purpose of determining income eligibility with respect to the supported housing program under section 8(o)(19), any disability benefits received under chapter 11 or chapter 15 of title 38, United States Code, received by a veteran, except that this exclusion shall not apply to the income in the definition of adjusted income;

“(v) for the purpose of determining income eligibility with respect to any household receiving rental assistance under the supported housing program under section 8(o)(19) as it relates to eligibility for other types of housing assistance, any disability benefits received under chapter 11 or chapter 15 of title 38, United States Code, received by a veteran, except that this exclusion shall not apply to income in the definition of adjusted income;”.

(b) **TREATMENT OF CERTAIN DISABILITY BENEFITS.**—

(1) **IN GENERAL.**—When determining the eligibility of a veteran to rent a residential dwelling unit constructed on Department property on or after the date of the enactment of this Act, for which assistance is provided as part of a housing assistance program administered by the Secretary, the Secretary shall exclude from income any disability benefits received under chapter 11 or chapter 15 of title 38, United States Code by such person.

(2) **DEFINITIONS.**—In this subsection:

(A) **SECRETARY.**—The term “Secretary” means the Secretary of Housing and Urban Development.

(B) **DEPARTMENT PROPERTY.**—The term “Department property” has the meaning

given the term in section 901 of title 38, United States Code.

TITLE VII—OVERSIGHT AND ACCOUNTABILITY

SEC. 5701. REQUIRING ANNUAL TESTIMONY AND OVERSIGHT FROM HOUSING REGULATORS.

(a) HUD PROGRAMS.—The Department of Housing and Urban Development Act (42 U.S.C. 3531 et seq.) is amended by adding at the end the following:

“SEC. 15. ANNUAL TESTIMONY.

“The Secretary shall, on an annual basis, testify before the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on the status of all programs carried out by the Department, at the request of the relevant committee.”.

(b) GOVERNMENT GUARANTEED OR INSURED MORTGAGES.—On an annual basis, the following individuals shall testify before the appropriate committees of Congress with respect to mortgage loans made, guaranteed, or insured by the Federal Government:

(1) The President of the Government National Mortgage Association.

(2) The Federal Housing Commissioner.

(3) The Administrator of the Rural Housing Service.

(4) The Executive Director of the Loan Guaranty Service of the Department of Veterans Affairs.

(5) The Director of the Federal Housing Finance Agency.

(c) MORTGAGEE REVIEW BOARD.—Section 202(c)(8) of the National Housing Act (12 U.S.C. 1708(c)(8)) is amended—

(1) by striking “, in consultation with the Federal Housing Administration Advisory Board,”; and

(2) by inserting “and to Congress” after “the Secretary”.

SEC. 5702. FHA REPORTING REQUIREMENTS ON SAFETY AND SOUNDNESS.

(a) MONTHLY REPORTING ON MUTUAL MORTGAGE INSURANCE FUND CAPITAL RATIO.—Section 202(a) of the National Housing Act (12 U.S.C. 1708(a)) is amended by adding at the end the following:

“(8) OTHER REQUIRED REPORTING.—The Secretary shall—

“(A) submit to Congress monthly reports on the capital ratio required under section 205(f)(2); and

“(B) notify Congress as soon as practicable after the Fund falls below the capital ratio required under section 205(f)(2).”.

(b) ANNUAL INDEPENDENT ACTUARIAL STUDY.—Section 202(a)(4) of the National Housing Act (12 U.S.C. 1708(a)(4)) is amended—

(1) by striking “The Secretary” and inserting the following:

“(A) DEFINITION.—In this paragraph, the term ‘first-time homebuyer’ means a borrower for whom no consumer report (as defined in section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a)) indicates that the borrower has or had a loan with a consumer purpose that is secured by a 1- to 4-unit residential real property.

“(B) STUDY AND REPORT.—The Secretary”;

and

(2) in subparagraph (B), as so designated, by striking “also” and inserting “detail how many loans were originated in each census tract to first-time homebuyers, as well as”.

(c) ANNUAL REPORT.—Section 203(w)(2) of the National Housing Act (12 U.S.C. 1709(w)(2)) is amended by inserting “and first-time homebuyers (as defined in section 202(a)(4)(A))” after “minority borrowers”.

(d) GAO STUDY ON SUSTAINABLE HOMEOWNERSHIP.—Not later than 180 days after the date of enactment of this Act, the Comptroller General of the United States shall

conduct a study and submit to Congress a report on—

(1) the value for the Federal Housing Administration of defining what is sustainable homeownership in a way that considers borrower default, refinancing of a mortgage that is not insured by the Federal Housing Administration, the Department of Veterans Affairs, or Rural Housing Service, paying off a mortgage loan and transitioning back to renting, and other factors that demonstrate whether insurance provided under title II of the National Housing Act (12 U.S.C. 1707 et seq.) has successfully served a borrower, including for first-time homebuyers for whom no consumer report (as defined in section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a)) indicates that the borrower has or had a loan with a consumer purpose that is secured by a 1- to 4-unit residential real property; and

(2) the feasibility of the Federal Housing Administration developing a scorecard using the metrics described in paragraph (1) to measure borrower performance and reporting the scorecard data to Congress.

SEC. 5703. UNITED STATES INTERAGENCY COUNCIL ON HOMELESSNESS OVERSIGHT.

Section 203(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11313(a)) is amended—

(1) in paragraph (1)—

(A) by striking “Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009” and inserting “Renewing Opportunity in the American Dream to Housing Act”; and

(B) by striking “update such plan annually” and inserting the following: “submit to the President and Congress a report every year thereafter that includes—

“(A) the status of completion of the plan; and

“(B) any modifications that were made to the plan and the reasons for those modifications;”;

(2) by redesignating paragraphs (10) through (13) as paragraphs (11) through (14), respectively;

(3) by redesignating the second paragraph (9) (relating to collecting and disseminating information) as paragraph (10);

(4) in paragraph (13), as so redesignated, by striking “and” at the end;

(5) in paragraph (14), as so redesignated, by striking the period at the end and inserting “; and

(6) by adding at the end the following:

“(15) testify annually before Congress.”.

SEC. 5704. NEIGHBORWORKS ACCOUNTABILITY ACT.

(a) IN GENERAL.—Section 415(a)(1)(A) of title 5, United States Code, is amended by inserting “the Neighborhood Reinvestment Corporation,” after “the Postal Regulatory Commission.”.

(b) DUTIES AND AUDITS.—The Neighborhood Reinvestment Corporation Act (42 U.S.C. 8101 et seq.) is amended—

(1) in section 606 (42 U.S.C. 8105), by adding at the end the following:

“(e)(1) There is authorized to be appropriated to the Office of Inspector General of the corporation established under section 415 of title 5, United States Code, such sums as may be necessary to carry out this Act.

“(2) There shall not be transferred to the Office of Inspector General of the corporation any program operating responsibilities of the corporation, including the organizational assessments work and grantee oversight function of the corporation.”.

(c) INDEPENDENT AUDIT.—Section 607 of the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8106) is amended by striking subsection (b) and inserting following:

“(b)(1) The accounts of the corporation shall be audited annually by an independent external auditor.

“(2) Notwithstanding any other audit work performed by the Office of Inspector General of the corporation, the audits required under paragraph (1) shall be conducted in accordance with generally accepted auditing standards by independent certified public accountants who are certified by a regulatory authority of the jurisdiction in which the audit is undertaken.”.

SEC. 5705. APPRAISAL MODERNIZATION ACT.

(a) RECONSIDERATION OF VALUE.—

(1) IN GENERAL.—Section 129E of the Truth in Lending Act (15 U.S.C. 1639e) is amended—

(A) by redesignating subsections (j) and (k) as subsections (k) and (l), respectively; and

(B) by inserting after subsection (i) the following:

“(j) CONSUMER RIGHT TO RECONSIDERATION OF VALUE OR SUBSEQUENT APPRAISAL.—

“(1) DEFINITIONS.—In this section:

“(A) UNACCEPTABLE APPRAISAL PRACTICE.—The term ‘unacceptable appraisal practice’ means an appraisal report that—

“(i) uses unsupported or subjective terms to assess or rate the property without providing a foundation for analysis and contextual information;

“(ii) uses inaccurate or incomplete data about the subject property, the neighborhood, the market area, or any comparable property;

“(iii) includes references, statements or comparisons about crime rates or crime statistics, whether objective or subjective;

“(iv) relies in the appraisal analysis on comparable properties that were not personally inspected by the appraiser when required by the appraisal’s scope of work;

“(v) relies in the appraisal analysis on inappropriate comparable properties;

“(vi) fails to use comparable properties that are more similar, or nearer, to the subject property without adequate explanation;

“(vii) uses comparable property data provided by any interested party to the transaction without verification by a disinterested party;

“(viii) uses inappropriate adjustments for differences between the subject property and the comparable properties that do not reflect the market’s reaction to such differences; or

“(ix) fails to make proper adjustments, including time adjustments for differences between the subject property and the comparable properties when necessary.

“(B) UNSUPPORTED.—The term ‘unsupported’ means, with respect to an appraisal report or an appraiser’s opinion of value, that the appraisal report or the opinion of value is not supported by relevant evidence and logic.

“(2) REVIEW.—In connection with a consumer credit transaction secured by a consumer’s principal dwelling, a creditor shall have a review and resolution procedure for a consumer-initiated reconsideration of value or subsequent appraisal that complies with the following requirements:

“(A) The creditor shall complete its own appraisal review before delivering the appraisal to the consumer.

“(B) The creditor shall have policies and procedures that provide the consumer with a process to submit 1 request for a reconsideration of value and subsequent appraisal prior to the loan closing or within 60 calendar days of denial of a credit application if the consumer believes the appraisal report may be unsupported, may be deficient due to an unacceptable appraisal practice, or may reflect discrimination.

“(C) At the time of application and upon delivery of the appraisal report to the consumer, the creditor shall provide a written disclosure to the consumer describing the process for requesting a reconsideration of value or subsequent appraisal, which written

disclosure shall include a standardized format for the consumer to submit the request for a reconsideration of value, including—

- “(i) the name of the borrower;
- “(ii) the property address;
- “(iii) the effective date of the appraisal;
- “(iv) the appraiser’s name;
- “(v) the date of the request;
- “(vi) a description of why the consumer believes the appraisal report may be unsupported, may be deficient due to an unacceptable appraisal practice, or may reflect discrimination;

“(vii) any additional information, data, including not more than 5 alternative comparable properties and the related data sources that the consumer would like the appraiser to consider; and

“(viii) an explanation of why the new information, data, or comparable properties support the reconsideration of value.

“(D) The creditor shall obtain the necessary information from the consumer if the consumer’s request for reconsideration of value or subsequent appraisal is unclear or requires more information.

“(E) The creditor shall have a standardized format to communicate the reconsideration of value to the appraiser, which format shall include—

- “(i) the name of the borrower;
- “(ii) the property address;
- “(iii) the effective date of the appraisal;
- “(iv) the appraiser’s name;
- “(v) the date of the request;

“(vi) a description of any area of the appraisal report that may be unsupported, may be deficient due to an unacceptable appraisal practice, or may reflect discrimination;

“(vii) any additional information, data, including not more than 5 alternative comparable properties and the related data sources that the consumer would like the appraiser to consider;

“(viii) an explanation of why the new information, data, or comparable properties support the reconsideration of value;

“(ix) a definition of turn-time expectations for the appraiser to communicate the reconsideration of value results back to the creditor;

“(x) instructions for delivering the reconsideration of value response as part of a revised appraisal report that includes commentary on conclusions regardless of the outcome; and

“(xi) a reference for appraisers on how to correct minor appraisal issues or non-material errors not related to the reconsideration of value process.

“(3) SUBSEQUENT APPRAISAL AND REFERRAL.—

“(A) IN GENERAL.—If the creditor identifies material deficiencies in the appraisal report that are not corrected or addressed by the appraiser upon request of the creditor, including through a consumer-initiated reconsideration of value, or if there is evidence of unsupported or unacceptable appraisal practices, the creditor shall—

“(i) at the request of the consumer, order a subsequent appraisal at the creditor’s own expense; and

“(ii) forward the appraisal report and the creditor’s summary of findings to the appropriate appraisal licensing agency or regulatory board.

“(B) DISCRIMINATION.—If the creditor has reason to believe that an appraisal report reflects discrimination, the creditor shall—

“(i) order a subsequent appraisal, at the creditor’s own expense;

“(ii) forward the appraisal report and the creditor’s summary of findings to the appropriate local, State, or Federal enforcement agency; and

“(iii) upon a final determination of discrimination by the appropriate local, State,

or Federal enforcement agency, receive a reimbursement from the appraiser covering the cost of the subsequent appraisal ordered by the creditor.

“(C) DEFINITION.—

“(i) IN GENERAL.—Except as provided in clause (ii), in this paragraph, the term ‘reason to believe’ means that the creditor has reviewed the applicable law and available evidence and determined that a potential violation of Federal or state antidiscrimination law exists. The available evidence may include the appraisal report, loan files, written communications, credible observations by persons with direct knowledge, statistical analysis, and the appraiser’s response to the request for a reconsideration of value.

“(ii) EXCEPTION.—The term ‘reason to believe’ does not mean that there is a final legal determination of discrimination.

“(4) DOCUMENT RETENTION.—The creditor shall retain all documentation and written communications related to the request for reconsideration of value or subsequent appraisal in the loan file during the 7-year period beginning on the date on which the consumer submitted the credit application.

“(5) RULE OF CONSTRUCTION.—This subsection is consistent with the exceptions to the appraiser independence requirements found in subsection (c). Nothing in this subsection shall be construed to require a creditor to submit a reconsideration of value to the original appraiser before ordering a subsequent appraisal from a subsequent appraiser.”

(2) RULES AND INTERPRETATIVE GUIDELINES.—Section 129E(g) of the Truth in Lending Act (15 U.S.C. 1639e(g)) is amended—

(A) in paragraph (1), by striking “paragraph (2), the Board” and inserting “paragraphs (2) and (3), the Bureau”; and

(B) by adding at the end the following:

“(3) FINAL RULE.—Not later than 1 year after the date of enactment of this paragraph, the Federal Housing Finance Agency shall issue a final rule after notice and comment and issue such guidance as may be necessary to carry out and enforce subsection (j).”

(b) PUBLIC APPRAISAL DATABASE.—

(1) COVERED AGENCIES DEFINED.—The term “covered agencies” means—

(A) the Federal Housing Finance Agency, on behalf of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation;

(B) the Department of Housing and Urban Development, including the Federal Housing Administration;

(C) the Department of Agriculture; and

(D) the Department of Veterans Affairs.

(2) FEASIBILITY REPORT.—No later than 240 days after the date of enactment of this Act, the Comptroller General of the United States shall issue a public report to Congress assessing the feasibility of creating a publicly available appraisal database that consists of a searchable and downloadable appraisal-level public use file that consolidates appraisal data held or aggregated by covered agencies, which shall include—

(A) the costs and benefits associated with establishing and maintaining the public database;

(B) the benefits and risks associated with either the Federal Housing Finance Agency or the Bureau of Consumer Financial Protection being responsible for the public database and whether there is another Federal agency best suited for implementing and administering such database;

(C) any safety and soundness, antitrust, or consumer privacy-related risks associated with making certain appraisal data factors publicly available, including whether—

(i) there are any existing legal requirements, including under the Home Mortgage

Disclosure Act of 1974 (12 U.S.C. 2801 et seq.) and section 552 of title 5, United States Code (commonly known as the “Freedom of Information Act”), or additional actions Federal agencies could take to mitigate such risks, such as modifying or aggregating data, or eliminating personally identifiable information; and

(ii) there are any data factors that, if made public, may violate conduct, ethics, or other professional standards as they relate to appraisals and appraisal or valuation professionals;

(D) the feasibility of consolidating or matching appraisal data held by covered agencies with corresponding data that is required and made public under the Home Mortgage Disclosure Act of 1974 (12 U.S.C. 2801 et seq.);

(E) whether the publication of any appraisal data factors may pose unfair business advantages within the valuation industry;

(F) the feasibility of including all valuation data held by covered agencies, including data produced by automated valuation models;

(G) the feasibility and benefits of making the full appraisal dataset, including any modified fields, available to—

(i) Federal agencies, including for purposes related to enforcement and supervision responsibilities;

(ii) relevant State licensing, supervision, and enforcement agencies and State attorneys general;

(iii) approved researchers, including academics and nonprofit organizations that, in connection with their mission, work to ensure the fairness and consistency of home valuations, including appraisals; and

(iv) any other entities identified by the Comptroller General as having a compelling use for disaggregated data;

(H) what appraisal data is already available in the public domain; and

(I) the feasibility of incorporating legacy data held by covered agencies during the period beginning on January 1, 2017 and ending on the date of enactment of this Act, and whether there are specific data points not easily consolidated or matched, as described in subparagraph (D), with more recent data.

(3) PURPOSE.—The database described in paragraph (2) shall be used to provide the public, the Federal Government, and State governments with residential real estate appraisal data to help determine whether financial institutions, appraisal management companies, appraisers, valuation technologies, such as automated valuation models, and other valuation professionals are serving the housing market in a manner that is efficient and consistent for all mortgage loan applicants, borrowers, and communities.

(4) CONSULTATION.—As part of the information used in the report required under paragraph (2), the Comptroller General of the United States shall conduct interviews with—

(A) relevant Federal agencies;

(B) relevant State licensing, supervision, and enforcement agencies and State attorneys general;

(C) appraisers and other home valuation industry professionals;

(D) mortgage lending institutions;

(E) fair housing and fair lending experts; and

(F) any other relevant stakeholders as determined by the Comptroller General.

(5) HEARING.—Upon the completion of the report under paragraph (2), the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives shall each hold a hearing on the findings of

the report and the feasibility of establishing a public appraisal-level appraisal database.

TITLE VIII—COORDINATION, STUDIES, AND REPORTING

SEC. 5801. HUD-USDA-VA INTERAGENCY COORDINATION ACT.

(a) MEMORANDUM OF UNDERSTANDING.—The Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Secretary of Veterans Affairs shall establish a memorandum of understanding, or other appropriate interagency agreement, to share relevant housing-related research and market data that facilitates evidence-based policymaking.

(b) INTERAGENCY REPORT.—

(1) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Secretary of Veterans Affairs shall jointly submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Finance of the House of Representatives a report containing—

(A) a description of opportunities for increased collaboration between the Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Secretary of Veterans Affairs to reduce inefficiencies in housing programs;

(B) a list of Federal laws and regulations that adversely affect the availability and affordability of new construction of assisted housing and single family and multifamily residential housing subject to mortgages insured under title II of the National Housing Act (12 U.S.C. 1707 et seq.), insured, guaranteed, or made by the Secretary of Agriculture under title V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.), or insured, guaranteed, or made by the Secretary of Veterans Affairs under chapter 37 of title 38, United States Code; and

(C) recommendations for Congress regarding the Federal laws and regulations described in subparagraph (B).

(2) PUBLICATION.—The report required under paragraph (1) shall, prior to submission under that subsection, be published in the Federal Register and open for comment for a period of 30 days.

SEC. 5802. STREAMLINING RURAL HOUSING ACT.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Housing and Urban Development and the Secretary of Agriculture shall enter into a memorandum of understanding to—

(1) evaluate categorical exclusions under the environmental review process for housing projects funded by amounts from the Department of the Housing and Urban Development and the Department of Agriculture;

(2) develop a process to designate a lead agency and streamline adoption of Environmental Impact Statements and Environmental Assessments approved by the other Department to construct housing projects funded by both agencies;

(3) maintain compliance with environmental regulations under part 58 of title 24, Code of Federal Regulations, as in effect on January 1, 2025, except as required to amend, add, or remove categorical exclusions identified under sections 58.35 of title 24, Code of Federal Regulations, through standard rule-making procedures; and

(4) evaluate the feasibility of a joint physical inspection process for housing projects funded by amounts from the Department of the Housing and Urban Development and the Department of Agriculture.

(b) ADVISORY WORKING GROUP.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Housing and Urban Develop-

ment and the Secretary of Agriculture shall establish an advisory working group for the purpose of consulting on the memorandum of understanding entered into under subsection (a).

(2) MEMBERS.—The advisory working group established under paragraph (1) shall consist of representatives of—

(A) affordable housing nonprofit organizations;

(B) State housing agencies;

(C) nonprofit and for-profit home builders and housing developers;

(D) property management companies;

(E) public housing agencies;

(F) residents in housing assisted by the Department of Housing and Urban Development or the Department of Agriculture and representatives of those residents; and

(G) housing contract administrators.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of Housing and Urban Development and the Secretary of Agriculture shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report that includes recommendations for legislative, regulatory, or administrative actions—

(1) to improve the efficiency and effectiveness of housing projects funded by amounts from the Department of the Housing and Urban Development and the Department of Agriculture; and

(2) that do not materially, with respect to residents of housing projects described in paragraph (1)—

(A) reduce the safety of those residents;

(B) shift long-term costs onto those residents; or

(C) undermine the environmental standards of those residents.

SEC. 5803. IMPROVING SELF-SUFFICIENCY OF FAMILIES IN HUD-SUBSIDIZED HOUSING.

(a) IN GENERAL.—

(1) STUDY.—Subject to subsection (b), the Secretary of Housing and Urban Development shall conduct a study on the implementation of work requirements implemented prior to the date of enactment of this Act by public housing agencies described in paragraph (4) participating in the Moving to Work demonstration authorized under section 204 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437f note).

(2) SCOPE.—The study required under paragraph (1) shall—

(A) consider the short-, medium-, and long-term benefits and challenges of work requirements on public housing agencies described in paragraph (4) and on program participants who are subject to such requirements, including the effects work requirements have on homelessness rates, poverty rates, asset building, earnings growth, job attainment and retention, and public housing agencies' administrative capacity; and

(B) include quantitative and qualitative evidence, including interviews with program participants described in subparagraph (A) and their respective resident councils.

(3) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary shall report the initial findings of the study required under paragraph (1) to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

(4) PUBLIC HOUSING AGENCIES DESCRIBED.—The public housing agencies described in this paragraph are public housing agencies that, as part of an application to participate in the program under section 204 of the Depart-

ments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437f note), submit a proposal identifying work requirements as an innovative proposal.

(b) DETERMINATION.—The requirement under subsection (a) shall apply if the Secretary of Housing and Urban Development determines that—

(1) there are a sufficient number of public housing agencies described in subsection (a)(4) such that the Secretary of Housing and Urban Development can rigorously evaluate the impact of the implementation of work requirements described in that subsection; and

(2) the study would not negatively impact low-income families receiving assistance through a public housing agency described in subsection (a)(4).

SA 3778. Mr. MULLIN submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle E of title V, add the following:

SEC. 550. MEDICAL ACCESSION STANDARDS FOR MEMBERS OF THE ARMED FORCES.

Chapter 37 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 658. Medical accession standards for members of the armed forces

“(a) ESTABLISHMENT OF STANDARDS.—(1) The Secretary of Defense shall establish uniform medical accession standards. Such standards shall use common medical standards for appointment, enlistment, or induction of personnel into the military services.

“(2) The Secretary of Defense and the Secretaries concerned shall make readily available and understandable to potential members of the armed forces the applicable medical accession standards, including an explanation of the waiver process.

“(b) PROCESS FOR REVIEW OR WAIVER OF MEDICAL DISQUALIFICATIONS.—The Secretary concerned shall establish a process for the review of medical disqualifications of persons seeking to become a member of the armed forces.

“(c) REPORTS.—(1) The Secretary of Defense shall submit to the congressional defense committees an annual report identifying—

“(A) the number of persons disqualified from service as a member of the armed forces during the preceding calendar year due to medical history;

“(B) the number and type of approvals granted through the medical waiver process during the preceding calendar year; and

“(C) any updates to the medical standards for accession established under subsection (a) or the waiver process since the submission of the preceding report.

“(2) For any fiscal year in which the Secretary concerned approves the accession of a person into the Coast Guard through the waiver process, the Secretary of the department in which the Coast Guard is operating shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report identifying the information required under paragraph (1)(B) with regards to such member.”.

SA 3779. Mr. RISCH (for himself and Mrs. SHAHEEN) submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end add the following:

DIVISION E—DEPARTMENT OF STATE AUTHORIZATION ACT FOR FISCAL YEAR 2026

SEC. 5001. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This division may be cited as the “Department of State Authorization Act for Fiscal Year 2026”.

(b) **TABLE OF CONTENTS.**—The table of content for this division is as follows:

DIVISION E—DEPARTMENT OF STATE AUTHORIZATION ACT FOR FISCAL YEAR 2026

Sec. 5001. Short title; table of contents.

Sec. 5002. Definitions.

TITLE LXI—WORKFORCE MATTERS

Sec. 5101. Report on vetting of Foreign Service Institute instructors.

Sec. 5102. Training limitations.

Sec. 5103. Language incentive pay for civil service employees.

Sec. 5104. Options for comprehensive evaluations.

Sec. 5105. Job share and part-time employment opportunities.

Sec. 5106. Promoting reutilization of language skills in the Foreign Service.

Sec. 5107. Requirement for Uyghur language training.

TITLE LXII—ORGANIZATION AND OPERATIONS

Sec. 5201. Periodic briefings from Bureau of Intelligence and Research.

Sec. 5202. Support for congressional delegations.

Sec. 5203. Eliminating 1-year tours.

Sec. 5204. Notification requirements for authorized and ordered departures.

Sec. 5205. Diplomats-in-Residence.

Sec. 5206. Strengthening enterprise governance.

Sec. 5207. Report to Congress on diplomatic reserve corps within the Department of State.

Sec. 5208. Establishing and expanding the Regional China Officer program.

Sec. 5209. Foreign affairs manual changes.

Sec. 5210. Report required before closure of diplomatic posts.

Sec. 5211. Notification of intent to reduce personnel at covered diplomatic posts.

TITLE LXIII—INFORMATION SECURITY AND CYBER DIPLOMACY

Sec. 5301. Supporting Department of State data analytics.

Sec. 5302. Post Data Pilot Program.

Sec. 5303. Authorization to use commercial cloud enclaves overseas.

Sec. 5304. Reports on technology transformation projects at the Department of State.

Sec. 5305. Foreign commercial spyware.

Sec. 5306. Security review of science and technology agreement with the People's Republic of China.

TITLE LXIV—PUBLIC DIPLOMACY

Sec. 5401. Foreign information manipulation and interference strategy.

Sec. 5402. Lifting the prohibition on use of Federal funds for World's Fair pavilions and exhibits.

TITLE LXV—DIPLOMATIC SECURITY AND CONSULAR AFFAIRS

Sec. 5501. Report concerning Department of State consular officers joining Coast Guard and Navy missions to Pacific island countries.

Sec. 5502. Report on security conditions in Damascus, Syria, required for the reopening of the United States diplomatic mission.

Sec. 5503. Embassies, consulates, and other diplomatic installations return to standards report.

Sec. 5504. Passport and visa operations report.

TITLE LXVI—MISCELLANEOUS

Sec. 5551. Submission of federally funded research and development center reports to Congress.

Sec. 5552. Quarterly report on diplomatic pouch access.

Sec. 5553. Report on utility of instituting a processing fee for ITAR license applications.

Sec. 5554. HAVANA Act payment fix.

Sec. 5555. Establishing an inner Mongolia section within the United States embassy in Beijing.

Sec. 5556. Report on United States Mission Australia staffing.

Sec. 5557. Facilitating regulatory exchanges with allies and partners.

Sec. 5558. Pilot program to audit barriers to commerce in developing partner countries.

Sec. 5559. Strategy for promoting supply chain diversification.

Sec. 5560. Extensions.

SEC. 5002. DEFINITIONS.

In this division:

(1) **APPROPRIATE CONGRESSIONAL COMMITTEES.**—The term “appropriate congressional committees” means the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives.

(2) **DEPARTMENT.**—The term “Department” means the Department of State.

(3) **SECRETARY.**—The term “Secretary” means the Secretary of State.

TITLE LXI—WORKFORCE MATTERS

SEC. 5101. REPORT ON VETTING OF FOREIGN SERVICE INSTITUTE INSTRUCTORS.

(a) **REPORT.**—Not later than 120 days after the date of the enactment of this Act, the Secretary of State shall submit to the appropriate congressional committees a report on the execution of requirements under section 6116 of the Department of State Authorization Act of Fiscal Year 2023 (22 U.S.C. 4030) that includes—

(1) a description of all steps taken to date to carry out that section;

(2) a detailed explanation of the suitability or fitness reviews, background investigations, and periodic background checks or re-investigations, as applicable, of relevant Foreign Service Institute instructors who provide language instructions; and

(3) a description of planned additional steps required to execute such section.

SEC. 5102. TRAINING LIMITATIONS.

The Department shall require the explicit approval of the Secretary for each instance in which a long-term training assignment is curtailed or a long-term training position is eliminated.

SEC. 5103. LANGUAGE INCENTIVE PAY FOR CIVIL SERVICE EMPLOYEES.

The Secretary may provide special monetary incentives to acquire or retain proficiency in foreign languages to civil service employees who serve in domestic positions

that require critical language skills. The amounts of such incentives should be similar to the language incentive pay provided to members of the Foreign Service under the Foreign Service pursuant to section 704(b)(3) of the Foreign Service Act of 1980 (22 U.S.C. 4024(b)(3)).

SEC. 5104. OPTIONS FOR COMPREHENSIVE EVALUATIONS.

(a) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the appropriate congressional committees a report on options for integrating 360-degree reviews in personnel files for promotion panel consideration.

(b) **EVALUATION SYSTEMS.**—The report required by subsection (a) shall include—

(1) one or more options to integrate confidential 360-degree reviews, references, or evaluations by superiors, peers, and subordinates, including consideration of automated reference requests; and

(2) other modifications or systems the Secretary considers relevant.

(c) **ELEMENTS.**—The report required by subsection (a) shall describe, with respect to each evaluation system included in the report—

(1) any legal constraints or considerations;

(2) the timeline required for implementation;

(3) any starting and recurring costs in comparison to current processes;

(4) the likely or potential implications for promotion decisions and trends; and

(5) the impact on meeting the personnel needs of the Foreign Service.

SEC. 5105. JOB SHARE AND PART-TIME EMPLOYMENT OPPORTUNITIES.

(a) **IN GENERAL.**—The Secretary shall establish and publish a Department policy on job share and part-time employment opportunities. The policy shall include a template for job-sharing arrangements, a database of job share and part-time employment opportunities, and a point of contact in the Bureau of Global Talent Management.

(b) **DESIGNATION OF ELIGIBLE POSITIONS.**—The Secretary shall designate at least 2 percent of domestic Department of State positions as eligible for job share or part-time employment arrangements.

(c) **WORKPLACE FLEXIBILITY TRAINING.**—The Secretary shall incorporate training on workplace flexibility, including the availability of job share and part-time employment opportunities, into employee onboarding and every level of supervisory training.

(d) **ANNUAL REPORT.**—The Secretary shall submit to the appropriate congressional committees a report on workplace flexibility at the Department, including data on the number of employees utilizing job share or part-time employment arrangements.

(e) **EXCEPTION FOR THE BUREAU OF INTELLIGENCE AND RESEARCH.**—The policy described in subsection (a) shall not apply to officers and employees of the Bureau of Intelligence and Research.

SEC. 5106. PROMOTING REUTILIZATION OF LANGUAGE SKILLS IN THE FOREIGN SERVICE.

(a) **SENSE OF CONGRESS.**—It is the sense of Congress that—

(1) foreign language skills are essential to effective diplomacy, particularly in high-priority positions, such as Chinese- and Russian-language designated positions focused on Communist China and Russia;

(2) reutilization of acquired language skills creates efficiencies through the reduction of language training overall and increases regional expertise;

(3) often, investments in language skills are not sufficiently utilized and maintained

throughout the careers of members of the Foreign Service following an initial assignment after language training;

(4) providing incentives such as an "out-year bid" on priority language-designated assignments would decrease training costs overall and encourage more expertise in relevant priority areas; and

(5) incentives for members of the Foreign Service to not only acquire and retain, but reuse, foreign language skills in priority assignments would reduce training costs in terms of both time and money and increase regional expertise to improve abilities in those areas deemed high priority by the Secretary.

(b) INCENTIVES TO REUTILIZE LANGUAGE SKILLS.—Section 704(b)(3) of the Foreign Service Act of 1980 (22 U.S.C. 4024(b)(3)) is amended by inserting "and reutilize" after "to acquire or retain proficiency in".

SEC. 5107. REQUIREMENT FOR UYGHUR LANGUAGE TRAINING.

(a) UYGHUR LANGUAGE TRAINING AND STAFFING.—The Secretary shall take such steps as may be necessary to ensure that—

(1) Uyghur language training is available to Foreign Service officers, as appropriate; and

(2) efforts are made to ensure that at least 1 Uyghur-speaking member of the Service (as defined in section 103 of the Foreign Service Act of 1980 (22 U.S.C. 3903)) is assigned to United States diplomatic posts in the People's Republic of China, Kazakhstan, Uzbekistan, Kyrgyzstan, and Turkey.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, and annually thereafter for the following 2 years, the Foreign Service Institute shall submit a report to the appropriate congressional committees that outlines all of the steps that have been taken to implement subsection (a).

TITLE LXII—ORGANIZATION AND OPERATIONS

SEC. 5201. PERIODIC BRIEFINGS FROM BUREAU OF INTELLIGENCE AND RESEARCH.

(a) IN GENERAL.—Not later than 30 days after the date of the enactment of this Act, and at least every 90 days thereafter for at least the next 3 years, the Secretary shall offer to the appropriate committees of Congress a joint briefing facilitated by the Bureau of Intelligence and Research and including other bureaus, as appropriate, on—

(1) any topic requested by one or more of the appropriate congressional committees;

(2) any topic of current importance to the national security of the United States; and

(3) any other topic the Secretary considers necessary.

(b) LOCATION.—The briefings required under subsection (a) shall be held at a secure facility that is suitable for review of information that is classified at the level of "Top Secret/SCI".

(c) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term "appropriate committees of Congress" means—

(1) the Committee on Foreign Relations and the Select Committee on Intelligence of the Senate;

(2) and the Committee on Foreign Affairs and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 5202. SUPPORT FOR CONGRESSIONAL DELEGATIONS.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) congressional travel is essential to fostering international relations, understanding global issues first-hand, and jointly advancing United States interests abroad; and

(2) only in close coordination and thanks to the dedication of personnel at United States embassies, consulates, and other mis-

sions abroad can the success of these vital trips be possible.

(b) IN GENERAL.—The Secretary shall reaffirm to all diplomatic posts the importance of congressional travel and shall require all such posts to support congressional travel by members and staff of the appropriate congressional committees fully, by making such support available on any day of the week, including Federal and local holidays and, to the extent practical, requiring the direct involvement of mid-level or senior officers.

(c) EXCEPTION FOR SIMULTANEOUS HIGH-LEVEL VISITS.—The requirement under subsection (b) does not apply in the case of a simultaneous visit from the President, the First Lady or First Gentleman, the Vice President, the Secretary of State, or the Secretary of Defense.

(d) TRAINING.—The Secretary shall require all designated control officers to have been trained on supporting congressional travel at posts abroad prior to the assigned congressional visit.

SEC. 5203. ELIMINATING 1-YEAR TOURS.

(a) IN GENERAL.—The Secretary shall ensure that tours of duty for service abroad shall be at least 2 years in length, except for personnel on temporary duty and Department fellows. Any tour lasting less than 2 years shall be considered temporary duty.

(b) WAIVER.—The Secretary may issue a nondelegable waiver on a case-by-case basis exempting personnel from the restrictions established in subsection (a) if the Secretary determines that doing so serves United States national security interests, provided the Secretary submits a justification to the appropriate congressional committees not later than 15 days prior to issuing the waiver that contains the following:

(1) A description of the factors considered by the Secretary when evaluating whether to issue the waiver.

(2) A compelling justification as to why issuing the waiver is in the national security interests of the United States.

SEC. 5204. NOTIFICATION REQUIREMENTS FOR AUTHORIZED AND ORDERED DEPARTURES.

(a) DEPARTURES REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit a report to the appropriate congressional committees listing every instance of an authorized or ordered departure during the 5-year period preceding the date of the enactment of this Act.

(2) CONTENTS.—The Secretary shall include in the report required under paragraph (1)—

(A) the name of the post and the date of the announcement of the authorized or ordered departure;

(B) the reason for the authorized or ordered departure; and

(C) the number of chief of mission personnel that departed, categorized by agency, as well as family members, if available.

(b) CONGRESSIONAL NOTIFICATION REQUIREMENT.—Any instance of an authorized or ordered departure shall be notified to appropriate committees not later than 3 days after the Secretary authorized an authorized or ordered departure. The details in the notification shall include—

(1) the information described in subsection (a)(2);

(2) the mode of travel for chief of mission personnel who departed;

(3) the estimated cost of the authorized or ordered departure, including travel and per diem costs; and

(4) the destination of all departed personnel and changes to their work activities due to the departure.

(c) TERMINATION.—This requirements under this section shall terminate on the date that

is 5 years after the date of the enactment of this Act.

SEC. 5205. DIPLOMATS-IN-RESIDENCE.

(a) SENSE OF CONGRESS.—It is the sense of Congress that Diplomats-in-Residence play a critical role within the Foreign Service by facilitating engagement between the American people and the diplomats who represent their interests around the world. United States students of all geographic areas who are interested in diplomacy and serving their Nation should have reasonable access to the Department of State and its Diplomats-in-Residence Program.

(b) IN GENERAL.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall—

(1) increase the number of diplomats in the Diplomats-in-Residence Program from 17 to 40; and

(2) in doing so, assign Diplomats-in-Residence in a manner that guarantees no population within the United States is located more than 300 miles from a Diplomat-in-Residence.

SEC. 5206. STRENGTHENING ENTERPRISE GOVERNANCE.

(1) ORGANIZATION.—The Chief Information Officer and the Chief Data and Artificial Intelligence Officer of the Department of State shall report directly to the Deputy Secretary of State for Management and Resources or, in the event such position is vacant, to the Deputy Secretary of State for Policy.

(2) ADJUDICATION OF UNRESOLVED BUDGET AND MANAGEMENT DECISIONS.—Adjudication of unresolved budget and management decisions shall be made by the Deputy for Management and Resources in consultation, as appropriate, with the Deputy Secretary of State for Policy.

SEC. 5207. REPORT TO CONGRESS ON DIPLOMATIC RESERVE CORPS WITHIN THE DEPARTMENT OF STATE.

(a) REPORT TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the appropriate congressional committees a report setting forth a comprehensive proposal for the establishment and maintenance within the Department of a diplomatic reserve corps.

(b) ELEMENTS.—The report required by subsection (a) shall include the following elements:

(1) A description of the role of the proposed diplomatic reserve corps in assisting the Department in the discharge of the diplomatic functions and activities of the United States Government.

(2) An assessment of the strength of the proposed diplomatic reserve corps.

(3) The personnel authorities required for the maintenance of the proposed diplomatic reserve corps, including authorities relating to recruitment, appointment, and retention, training, and mobilization and demobilization.

(4) A description of the compensation and other benefits to be afforded personnel for service in the proposed diplomatic reserve corps.

(5) Such other matters as the Secretary considers appropriate to fully inform the appropriate congressional committees of the role, structure, and functions of the proposed diplomatic reserve corps and the authorities to apply to the corps.

SEC. 5208. ESTABLISHING AND EXPANDING THE REGIONAL CHINA OFFICER PROGRAM.

(1) IN GENERAL.—There is authorized to be established at the Department a Regional China Officer (RCO) program to support regional posts and officers with reporting, information, and policy tools, and to enhance expertise related to strategic competition

with the Peoples Republic of China. RCOs shall, to the greatest extent possible, have fluency in Mandarin Chinese and experience serving in China or Taiwan.

(2) **AUTHORIZATION.**—There is authorized to be appropriated to the Secretary \$5,000,000 for each of fiscal years 2026 through 2029 to the Department of State to expand the RCO program, including for—

(A) the placement of Regional China Officers at United States missions to the United Nations and United Nations affiliated organizations;

(B) the placement of additional Regional China Officers in Africa and Latin America;

(C) the hiring of locally employed staff to support Regional China Officers serving abroad; and

(D) the establishment of full-time equivalent positions to assist in managing and facilitating the RCO program.

(3) **PROGRAM FUNDS.**—There is authorized to be appropriated \$50,000 for each of fiscal years 2026 through 2029 for each Regional China Officer to support programs and public diplomacy activities of the Regional China Officer.

SEC. 5209. FOREIGN AFFAIRS MANUAL CHANGES.

Section 5318 of the Department of State Authorization Act of 2021 (22 U.S.C. 2658a) is amended—

(1) in subsection (c)(1), by striking “5 years” and inserting “8 years”; and

(2) adding at the end the following:

“(d) **NOTICE; CONSULTATION; BRIEFING.**—Before effectuating any significant change in the Foreign Affairs Manual, the Secretary of State shall—

“(1) provide notice to, and consult with, the appropriate congressional committees in writing, not later than 30 days before such changes are scheduled to take effect; and

“(2) provide a briefing to the appropriate congressional committees regarding the proposed changes.

“(e) **DEFINITIONS.**—“Significant change” means any reduction in staff of more than 10 personnel per bureau or more than 25 personnel Department-wide, or changes that affect the employment, benefits, management, review, promotion, or rights of personnel.”.

SEC. 5210. REPORT REQUIRED BEFORE CLOSURE OF DIPLOMATIC POSTS.

Section 48 of the State Department Basic Authorities Act of 1965 (22 U.S.C. 2720) is amended—

(1) in subsection (a), by striking “subsection (d) or in accordance with subsections (b) and (c)” and inserting “subsection (e) or in accordance with subsections (b) and (d)”;

(2) by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively;

(3) by inserting after the subsection (b) the following new subsection:

“(c) **REPORT.**—Before carrying out a proposed closure of a United States diplomatic post, the Secretary of State shall submit to appropriate committees of Congress a report on—

“(1) the diplomatic presence of the People’s Republic of China in the country where the post would be closed, including—

“(A) the number of diplomatic posts currently maintained by People’s Republic of China in the country; and

“(B) the number of personnel at each post in the country; and

“(2) the impact such closure will have on United States national security interests and the ability of the United States to compete with the People’s Republic of China.”;

(4) in amending subsection (f), as redesignated by paragraph (2), to read as follows:

“(f) **DEFINITIONS.**—In this section:

“(1) **APPROPRIATE COMMITTEES OF CONGRESS.**—The term ‘appropriate committees of Congress’ means—

“(A) the Committee on Foreign Relations, the Committee on Armed Services, and the Select Committee on Intelligence of the Senate; and

“(B) the Committee on Foreign Affairs, the Committee on Armed Services, and the Permanent Select Committee on Intelligence of the House of Representatives.

“(2) **CONSULAR OR DIPLOMATIC POST.**—The term ‘consular or diplomatic post’ does not include a post to which only personnel of agencies other than the Department of State are assigned.”.

SEC. 5211. NOTIFICATION OF INTENT TO REDUCE PERSONNEL AT COVERED DIPLOMATIC POSTS.

(a) **IN GENERAL.**—Except as provided in subsection (b), not later than 90 days before the date on which the Secretary of State carries out a reduction in United States personnel of at least 10 percent or 8 personnel at a covered diplomatic post, the Secretary shall submit to the appropriate Congressional committees a notification of the intent to carry out such a reduction, which shall include a certification by the Secretary that such reduction will not negatively impact the ability of the United States to compete with the People’s Republic of China or the Russian Federation.

(b) **EXCEPTION.**—Subsection (a) shall not apply in the case of a security risk to personnel at a covered diplomatic post.

(c) **COVERED DIPLOMATIC POST DEFINED.**—In this section, the term “covered diplomatic post” means a United States diplomatic post in a country in which the People’s Republic of China or the Russian Federation also have a diplomatic post.

TITLE LXIII—INFORMATION SECURITY AND CYBER DIPLOMACY

SEC. 5301. SUPPORTING DEPARTMENT OF STATE DATA ANALYTICS.

There is authorized to be appropriated \$3,000,000 to the Secretary for fiscal year 2026 to carry out the “Bureau Chief Data Officer Program”.

SEC. 5302. POST DATA PILOT PROGRAM.

(a) **POST DATA PILOT PROGRAM.**—

(1) **ESTABLISHMENT.**—The Secretary is authorized to establish a program, which shall be known as the “Post Data Program” (referred to in this section as the “Program”), overseen by the Department’s Chief Data and Artificial Intelligence Officer. The data officers hired under this Program shall report to their respective Chiefs of Mission.

(2) **GOALS.**—The goals of the Program shall include the following:

(A) Cultivating a data culture at diplomatic posts globally, including data fluency and data collaboration.

(B) Promoting data integration with Department of State headquarters.

(b) **IMPLEMENTATION PLAN.**—

(1) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the appropriate congressional committees an implementation plan that outlines strategies for—

(A) advancing the goals described in subsection (a)(2);

(B) hiring data officers at United States diplomatic posts; and

(C) allocation of necessary resources to sustain the Program.

(2) **ANNUAL REPORTING REQUIREMENT.**—Not later than 180 days after the date of the enactment of this Act, and annually thereafter for the following 3 years, the Secretary shall submit a report to the appropriate congressional committees regarding the status of the implementation plan required under paragraph (1).

SEC. 5303. AUTHORIZATION TO USE COMMERCIAL CLOUD ENCLAVES OVERSEAS.

(a) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this Act, the Department of State shall issue internal guidelines that authorize and track the use of enclaves deployed in overseas commercial cloud regions for OCONUS systems categorized at the Federal Information Security Management Act (FISMA) high baseline.

(b) **CONSISTENCY WITH FEDERAL CYBERSECURITY REGULATIONS.**—The enclave deployments shall be consistent with existing Federal cybersecurity regulations as well as best practices established across National Institute of Standards and Technology standards and ISO 27000 security controls.

(c) **BRIEFING.**—Not later than 90 days after the enactment of the Act, and before issuing the new internal guidelines required under subsection (a), the Secretary shall brief the appropriate committees of Congress on the proposed new guidelines, including—

(1) relevant risk assessments; and

(2) any security challenges regarding implementation.

(d) **APPROPRIATE COMMITTEES OF CONGRESS DEFINED.**—In this section, the term “appropriate committees of Congress” means—

(1) the Committee on Foreign Relations and the Select Committee on Intelligence of the Senate;

(2) and the Committee on Foreign Affairs and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 5304. REPORTS ON TECHNOLOGY TRANSFORMATION PROJECTS AT THE DEPARTMENT OF STATE.

(a) **DEFINITIONS.**—In this section:

(1) **APPROPRIATE COMMITTEES OF CONGRESS.**—The term “appropriate committees of Congress” means—

(A) the Committee on Foreign Relations of the Senate;

(B) the Committee on Appropriations of the Senate;

(C) the Committee on Foreign Affairs of the House of Representatives; and

(D) the Committee on Appropriations of the House of Representatives.

(2) **TECHNOLOGY.**—The term “technology” includes—

(A) artificial intelligence and machine learning systems;

(B) cybersecurity modernization tools or platforms;

(C) cloud computing services and infrastructure;

(D) enterprise data platforms and analytics tools;

(E) customer experience platforms for public-facing services; and

(F) internal workflow automation or modernization systems.

(3) **TECHNOLOGY TRANSFORMATION PROJECT.**—

(A) **IN GENERAL.**—The term “technology transformation project” means any new or significantly modified technology deployed by the Department with the purpose of improving diplomatic, consular, administrative, or security operations.

(B) **EXCLUSIONS.**—The term “technology transformation project” does not include a routine software update or version upgrade, a security patch or maintenance of an existing system, a minor configuration change, a business-as-usual information technology operation, or a support activity.

(b) **SEMIANNUAL REPORT.**—

(1) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this Act, and every 180 days thereafter for 5 years, the Secretary shall submit to the appropriate committees of Congress a report on all technology transformation projects completed during the two fiscal years preceding the fiscal year in which the report is submitted.

(2) ELEMENTS.—Each report required by paragraph (1) shall include the following elements:

(A) For each project, the following:

(i) A summary of the objective, scope, and operational context of the project.

(ii) An identification of the primary technologies and vendors used, including artificial intelligence models, cloud providers, cybersecurity platforms, and major software components.

(iii) A report on baseline and post-implementation performance and adoption metrics for the project, including with respect to—

(I) operational efficiency, such as reductions in processing time, staff hours, or error rates;

(II) user impact, such as improvements in end-user satisfaction scores and reliability;

(III) security posture, such as enhancements in threat detection, incident response time;

(IV) cost performance, including budgeted costs versus actual costs and projected cost savings or cost avoidance;

(V) interoperability and integration, including level of integration achieved with existing systems of the Department of State;

(VI) artificial intelligence (if applicable); and

(VII) adoption, including, if applicable—

(aa) an estimate of the percentage of eligible end-users actively using the system within the first 3, 6, and 12 months of deployment;

(bb) the proportion of staff trained to use the system;

(cc) the frequency and duration of use, disaggregated by bureau or geographic region if relevant;

(dd) summarized user feedback, including pain points and satisfaction ratings; and

(ee) a description of the status of deprecation or reduction in use of legacy systems, if applicable.

(iv) A description of key challenges encountered during implementation and any mitigation strategies employed.

(v) A summary of contracting or acquisition strategies used, including information on how the vendor or development team supported change management and adoption, including user testing, stakeholder engagement, and phased rollout.

(B) For any project where adoption metrics fell below 50 percent within 6 months of launch:

(i) A remediation plan with specific steps to improve adoption, including retraining, user experience improvements, or outreach.

(ii) An assessment of whether rollout should be paused or modified.

(iii) Any plans for iterative development based on feedback from employees.

(3) PUBLIC SUMMARY.—Not later than 60 days after submitting a report required by paragraph (1) to the appropriate committees of Congress, the Secretary of State shall publish an unclassified summary of the report on the publicly accessible website of the Department of State, consistent with national security interests.

(c) GOVERNMENT ACCOUNTABILITY OFFICE EVALUATION.—Not later than 18 months after the date of the enactment of this Act, and biennially thereafter, the Comptroller General of the United States shall submit to the appropriate committees of Congress a report—

(1) evaluating—

(A) the extent to which the Department has implemented and reported on technology transformation projects in accordance with the requirements under this section;

(B) the effectiveness and reliability of the Department's performance and adoption metrics for such projects;

(C) whether such projects have met intended goals related to operational efficiency, security, cost-effectiveness, user adoption, and modernization of legacy systems; and

(D) the adequacy of oversight mechanisms in place to ensure the responsible deployment of artificial intelligence and other emerging technologies; and

(2) including any recommendations to improve the Department's management, implementation, or evaluation of technology transformation efforts.

SEC. 5305. FOREIGN COMMERCIAL SPYWARE.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) there is a national security need for the legitimate and responsible procurement and application of cyber intrusion capabilities, including efforts related to counterterrorism, counternarcotics, and countertrafficking;

(2) the growing commercial market for sophisticated cyber intrusion capabilities has enhanced state and non-state actors' ability to target and track journalists, human rights defenders, and civil society groups for nefarious purposes;

(3) the proliferation of commercial spyware presents significant and growing risks to United States national security, including to the safety and security of United States Government personnel; and

(4) ease of access into and lack of transparency in the commercial spyware market raises the probability of spreading potentially destructive or disruptive cyber capabilities to a wider range of malicious actors.

(b) STATEMENT OF POLICY.—It is the policy of the United States—

(1) to oppose the misuse of foreign commercial spyware to target journalists, human rights defenders, journalists, and civil society groups;

(2) to coordinate with allies and partners to prevent the export of commercial spyware tools to end-users likely to use them for malicious activities;

(3) to maintain robust information-sharing with trusted allies and partners on commercial spyware proliferation and misuse, including to better identify and track these tools; and

(4) to work with private industry to identify and counter the abuse and misuse of commercial spyware technology; and

(5) to work with allies and partners to establish robust guardrails to ensure that the use of commercial spyware tools are consistent with respect for internationally recognized human rights, and the rule of law.

SEC. 5306. SECURITY REVIEW OF SCIENCE AND TECHNOLOGY AGREEMENT WITH THE PEOPLE'S REPUBLIC OF CHINA.

(a) SECURITY REVIEW.—Not later than 90 days after the date of the enactment of this Act, the Secretary, in coordination with relevant Federal agencies, shall conduct a security review of the United States-China Science and Technology Cooperation Agreement (STA). The review shall include the following elements:

(1) An assessment of the potential risks of maintaining the STA agreement, including the transfer under such agreement of technology or intellectual property capable of harming the national security interests of the United States.

(2) An assessment of the Secretary of State's ability to monitor compliance of the People's Republic of China's commitments established under the STA agreement.

(3) An evaluation of the benefits of the STA agreement to the economy, military, and industrial base of the People's Republic of China and the United States.

(4) An evaluation of the value of the information and data the United States Govern-

ment receives under the STA related to the People's Republic of China that the United States otherwise would not have access to should it withdraw its participation in the STA.

(b) REPORT.—Not later than 30 days after completion of the security review of the STA agreement required in subsection (a), the Secretary shall submit to the appropriate committees of Congress a report detailing the findings of the security review. The report shall be submitted in unclassified form, but may include a classified annex.

(c) CERTIFICATION.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall certify to the appropriate committees of Congress whether it is in the national security interest of the United States to maintain its participation in the STA agreement through its current duration.

(d) GUIDANCE.—If Secretary certifies that it is no longer in the national security interest of the United States to maintain its participation in the STA agreement, the Secretary shall, not later than 90 days after submitting the certification, and in coordination with the heads of relevant Federal agencies, promulgate guidance on United States Federal agency interactions with counterpart agencies in the People's Republic of China.

(e) DEFINITIONS.—In this section:

(1) APPROPRIATE COMMITTEES OF CONGRESS.—The term "appropriate committees of Congress" means—

(A) the Committee on Foreign Relations, the Committee on Commerce, Science of Technology, and the Committee on Judiciary of the Senate; and

(B) the Committee on Foreign Affairs, the Committee on Energy and Commerce, and the Committee on Judiciary of the House of Representatives.

(2) STA AGREEMENT.—The term "STA Agreement" means Agreement between the Government of the United States of America and the Government of the People's Republic of China on Cooperation in Science and Technology, signed in Washington January 31, 1979, its protocols, and any subagreements entered into pursuant to such Agreement on or before the date of the enactment of this Act.

TITLE LXIV—PUBLIC DIPLOMACY

SEC. 5401. FOREIGN INFORMATION MANIPULATION AND INTERFERENCE STRATEGY.

(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary, in consultation with other relevant agencies, shall submit to the appropriate congressional committees a comprehensive strategy to combat foreign manipulation and interference, which shall be carried out by the Department.

(b) ELEMENTS.—The strategy required under subsection (a) shall include the following elements:

(1) Conducting analysis of foreign state and non-state actors' foreign malign influence narratives, tactics, and techniques, including those originating from United States nation-state adversaries, including the Russian Federation, the People's Republic of China, and Iran.

(2) Working together with allies and partners to expose and counter foreign malign influence narratives, tactics, and techniques, including those originating in the Russian Federation, the People's Republic of China and Iran.

(3) Supporting non-state actors abroad, including independent media and civil society groups, which are working to expose and counter foreign malign influence narratives, tactics, and techniques, including those originating in the Russian Federation, the People's Republic of China, or Iran.

(4) Coordinating efforts to expose and counter foreign information manipulation and interference across Federal departments and agencies.

(5) Protecting the First Amendment rights of United States citizens.

(6) Creating guardrails to ensure the Department of State does not provide grants to organizations engaging in partisan political activity in the United States.

(c) **COORDINATION.**—The strategy required under subsection (a) shall be led and implemented by the Under Secretary for Public Diplomacy and Public Affairs in coordination with relevant bureaus and offices at the Department of State.

(d) **REPORT.**—Not later than 30 days after the enactment of this Act, the Secretary shall submit to the appropriate congressional committees a report that includes—

(1) actions the Department has taken to preserve the institutional capability to counter foreign nation-state influence operations from the People's Republic of China, Iran, and the Russian Federation since the termination of the Counter Foreign Information Manipulation and Interference (R/FIMI) hub;

(2) a list of active and cancelled Countering PRC Influence Fund (CPIF) and Countering Russian Influence Fund (CRIF) projects since January 21, 2025;

(3) actions the Department has taken to improve Department grantmaking processes related to countering foreign influence operations from nation-state adversaries; and

(4) an assessment of recent foreign adversarial information operations and narratives related to United States foreign policy since January 21, 2025, from the People's Republic of China, Iran, and the Russian Federation.

SEC. 5402. LIFTING THE PROHIBITION ON USE OF FEDERAL FUNDS FOR WORLD'S FAIR PAVILIONS AND EXHIBITS.

Section 204 of the Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001 (22 U.S.C. 2452b) is hereby repealed.

TITLE LXV—DIPLOMATIC SECURITY AND CONSULAR AFFAIRS

SEC. 5501. REPORT CONCERNING DEPARTMENT OF STATE CONSULAR OFFICERS JOINING COAST GUARD AND NAVY MISSIONS TO PACIFIC ISLAND COUNTRIES.

(a) **SENSE OF CONGRESS.**—It is the sense of Congress that—

(1) Pacific island countries, especially, but not limited to, the Freely Associated States, include close United States partners located across highly strategic waters critical for United States national security;

(2) it is in the national security interests of the United States to maintain and strengthen relations with the governments and the citizens of Pacific island countries; and

(3) many citizens of these countries face difficulties in accessing United States consular services because of the remote location of the Pacific islands, only some of which host United States embassies, and a paucity of flights, making applying for United States visas and other consular procedures difficult, expensive, and time-consuming.

(b) **REPORT.**—

(1) **IN GENERAL.**—Not later than 120 days after the date of the enactment of this Act, the Secretary, in coordination with the Commandant of the United States Coast Guard, the Commander of United States Indo-Pacific Command, and the Chief of Naval Operations, shall submit to the appropriate committees of Congress a report analyzing the feasibility of attaching Department of State consular officers to Coast Guard and Navy missions in the Pacific Island countries.

(2) **ELEMENTS.**—The report required under paragraph (1) shall include—

(A) an assessment of the current demand for consular services from citizens of Pacific Island countries and challenges that these citizens face in obtaining services;

(B) an assessment of the approximate value, including in time and resources saved, such an initiative could save citizens of Pacific Island countries that do not host United States embassies to have their United States visas adjudicated or to receive other services;

(C) an assessment of the cost for the Department of State, United States Coast Guard, United States Indo-Pacific Command, and United States Navy, including potential alternative cost-effective options and recommendations for providing consular services to Pacific Island countries;

(D) an assessment of the frequency and duration of United States Coast Guard and United States Navy deployments to Pacific Island countries, including—

(i) deployment frequency measured against desired number of visits;

(ii) amount of time typically spent in port for such visits; and

(iii) disruption to planned United States Coast Guard and United States Navy missions in order to visit locations needing consular assistance; and

(E) an evaluation of the logistical issues to be addressed including, including—

(i) analysis of spacing requirements to host Department of State personnel and equipment aboard United States Coast Guard and United States Navy vessels;

(ii) analysis of the information technology and connectivity requirements to conduct consular affairs activities;

(iii) the feasibility of printing visas aboard United States Coast Guard and United States Navy vessels;

(iv) maintaining physical security of consular officers and relevant adjudication equipment, including computer systems and visa foils, during such missions;

(v) impacts to United States Coast Guard and United States Navy vessels' operations and security; and

(vi) the estimated amount of time that Consular Officers would spend on board United States Coast Guard and United States Navy vessels between visits to Pacific Island countries.

(3) **APPROPRIATE COMMITTEES OF CONGRESS DEFINED.**—In this subsection, the term “appropriate committees of Congress” means—

(A) the Committee on Foreign Relations, the Committee on Appropriations, the Committee on Armed Services, the Committee on Commerce, Science, and Transportation, and the Committee on Judiciary of the Senate; and

(B) the Committee on Foreign Affairs, the Committee on Appropriations, the Committee on Armed Services, the Committee on Energy and Commerce, and the Committee on Judiciary of the House of Representatives.

SEC. 5502. REPORT ON SECURITY CONDITIONS IN DAMASCUS, SYRIA, REQUIRED FOR THE REOPENING OF THE UNITED STATES DIPLOMATIC MISSION.

(a) **FINDINGS.**—Congress makes the following findings:

(1) The United States has a national security interest in a stable Syria free from the malign influence of Russia and Iran, and which cannot be used by terrorist organizations to launch attacks against the United States or United States allies or partners in the region.

(2) Permissive security conditions are necessary for the reopening of any diplomatic mission.

(b) **REPORT TO CONGRESS.**—

(1) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this Act,

the Secretary, in consultation with the relevant Federal agencies, shall submit to the appropriate committees of Congress a report describing the Syrian interim government's progress towards meeting the security and governance related benchmarks described in paragraph (2).

(2) **ELEMENTS.**—The report required under paragraph (1) shall include the following elements:

(A) An assessment of the Syrian interim government's progress to ensure that Syria never serves as a platform for terrorist attacks against the United States or our partners.

(B) An assessment of the security environment of the location of the building of the United States embassy in Damascus and the conditions necessary for the reopening of the mission.

(C) An analysis of the Syrian interim's government's progress in identifying and rendering harmless the Assad regime's chemical weapons stockpiles, research facilities, or related sites.

(D) An assessment of the Syrian interim government's destruction of the Assad regime's captagon and other illicit drug stockpiles, to include infrastructure.

(E) An assessment of the Syrian interim government's relationship with the Russian Federation and the Islamic Republic of Iran, to include access, basing, overflight, economic relationships, and impacts on United States national security objectives.

(F) A description of the Syrian interim government's cooperation with the United States to locate and repatriate United States citizens.

(G) An assessment of the status of foreign terror groups and militias and interim government efforts to eject these groups.

(H) A description of accountability efforts under the interim Syrian government to include accountability for Assad regime crimes against the Syrian people, the Alawite massacre in northwest Syria, records preservation, and mass grave documentation.

(c) **APPROPRIATE COMMITTEES OF CONGRESS DEFINED.**—In this section, the term “appropriate committees of Congress” means—

(1) the Committee on Foreign Relations, the Committee on Armed Services, and the Select Committee on Intelligence of the Senate;

(2) and the Committee on Foreign Affairs, the Committee on Armed Services, and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 5503. EMBASSIES, CONSULATES, AND OTHER DIPLOMATIC INSTALLATIONS RETURN TO STANDARDS REPORT.

(a) **IN GENERAL.**—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit a report to the appropriate committees of Congress that includes the impacts of the Bureau of Diplomatic Security's initiative known as “Return to Standards” on the security needs of United States embassies, consulates, and other diplomatic installations outside the United States.

(b) **ELEMENTS.**—The report required under subsection (a) shall describe the impacts of the Return to Standards initiative and other reductions in staffing and resources from the beginning of the initiative to the date of enactment of this Act for all embassies, consulates, and other overseas diplomatic installations, including detailed descriptions and explanations of all reductions of personnel or other resources, including their effects on—

(1) securing facilities and perimeters;

(2) transporting United States personnel into the foreign country;

(3) gathering actionable intelligence; and

(4) executing any other relevant operations for which they are responsible.

(c) **APPROPRIATE COMMITTEES OF CONGRESS DEFINED.**—In this section, the term “appropriate committees of Congress” means—

(1) the Committee on Foreign Relations and the Select Committee on Intelligence of the Senate;

(2) and the Committee on Foreign Affairs and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 5504. PASSPORT AND VISA OPERATIONS REPORT.

(a) **IN GENERAL.**—Not later than 90 days after the date of the enactment of the Act, the Secretary shall submit to the appropriate committees of Congress a report on visa backlogs and the feasibility of providing priority visas to nationals of countries that are of strategic importance to the tourism industry of the United States.

(b) **ELEMENTS.**—The report required under subsection (a) shall address—

(1) the status of visa backlogs and wait times, including internal and external recommendations to streamline and improve consular processes, as required by the joint exploratory statement for the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2024 (division F of Public Law 118-47), including the rationale and justification for the implementation of each such recommendation;

(2) the impact of reductions in force on improvement of the overall efficiency of consular operations, processing time, and customer experience for applicants;

(3) the extent to which non-consular Department personnel have been used to improve the overall efficiency of consular operations, processing time, and customer experience for applicants during periods of high demand;

(4) the viability of temporarily assigning non-consular Department personnel during periods of high demand; and

(5) the extent to which technology, including artificial intelligence, can alleviate visa backlogs.

(c) **APPROPRIATE COMMITTEES OF CONGRESS DEFINED.**—In this subsection, the term “appropriate committees of Congress” means—

(1) the Committee on Foreign Relations and the Committee on Judiciary of the Senate; and

(2) the Committee on Foreign Affairs and the Committee on Judiciary of the House of Representatives.

TITLE LXVI—MISCELLANEOUS

SEC. 5551. SUBMISSION OF FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTER REPORTS TO CONGRESS.

Not later than 30 days after receiving a report or other written product provided to the Department by federally funded research and development centers (FFRDCs) and consultant groups that were supported by funds congressionally appropriated to the Department, the Secretary shall provide the appropriate committees the report or written product, including the original proposal for the report, the amount provided by the Department to the FFRDC, and a detailed description of the value the Department derived from the report.

SEC. 5552. QUARTERLY REPORT ON DIPLOMATIC POUCH ACCESS.

Not later than 30 days after the date of the enactment of this Act, and every 90 days thereafter for the next 3 years, the Secretary shall submit a report to the appropriate congressional committees that describes—

(1) a list of every overseas United States diplomatic post where diplomatic pouch access is restricted or limited by the host government;

(2) an explanation as to why, in each instance where an overseas United States dip-

lomatic post has not been granted diplomatic pouch access by the host government, the host government has failed to do so; and

(3) a detailed explanation outlining the steps the Department is taking to gain diplomatic pouch access in each instance where such access has been denied by the host government.

SEC. 5553. REPORT ON UTILITY OF INSTITUTING A PROCESSING FEE FOR ITAR LICENSURE APPLICATIONS.

Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to the appropriate congressional committees a report on the feasibility and effect of establishing an export licensing fee system for the commercial export of defense items and services to partially or fully finance the licensing costs of the Department, if permitted by statute. The report should consider whether and to what degree such an export license application fee system would be preferable to relying solely on the existing registration fee system and the feasibility of a tiered system of fees, considering such options as volume per applicant over time and discounted fees for small businesses.

SEC. 5554. HAVANA ACT PAYMENT FIX.

Section 901 of title IX of division J of the Further Consolidated Appropriations Act, 2020 (22 U.S.C. 2680b) is amended—

(1) by striking “January 1, 2016” each place it appears and inserting “September 11, 2001”; and

(2) in subsection (e)(1), in the matter preceding subparagraph (A), by striking “of a” and inserting “of an”.

(3) in subsection (h), by adding at the end the following new paragraph:

“(4) **LIMITATIONS.**—

“(A) **APPROPRIATIONS REQUIRED.**—Payments under subsections (a) and (b) in a fiscal year may only be made using amounts appropriated in advance specifically for payments under such paragraph in such fiscal year.

“(B) **MATTER OF PAYMENTS.**—Payments under subsections (a) and (b) using amounts appropriated for such purpose shall be made on a first come, first serve, or pro rata basis.

“(C) **AMOUNTS OF PAYMENTS.**—The total amount of funding obligated for payments under subsections (a) and (b) may not exceed the amount specifically appropriated for providing payments under such paragraph during its period of availability.”.

SEC. 5555. ESTABLISHING AN INNER MONGOLIA SECTION WITHIN THE UNITED STATES EMBASSY IN BEIJING.

(a) **INNER MONGOLIA SECTION IN UNITED STATES EMBASSY IN BEIJING, CHINA.**—

(1) **IN GENERAL.**—The Secretary should consider establishing an Inner Mongolian team within the United States Embassy in Beijing, China, to follow political, economic, and social developments in the Inner Mongolia Autonomous Region and other areas designated by the People's Republic of China as autonomous for Mongolians, with due consideration given to hiring Southern Mongolians as Locally Employed Staff.

(2) **RESPONSIBILITIES.**—Responsibilities of a team devoted to Inner Mongolia should include reporting on internationally recognized human rights issues, monitoring developments in critical minerals mining, environmental degradation, and PRC space capabilities, and access to areas designated as autonomous for Mongolians by United States Government officials, journalists, nongovernmental organizations, and the Southern Mongolian diaspora.

(3) **LANGUAGE REQUIREMENTS.**—The Secretary should ensure that the Department of State has sufficient proficiency in Mongolian language in order to carry out paragraph (1),

and that the United States Embassy in Beijing, China, has sufficient resources to hire Local Employed Staff proficient in the Mongolian language, as appropriate.

(b) **REPORT.**—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the appropriate congressional committees a report on the staffing described in subsection (a).

SEC. 5556. REPORT ON UNITED STATES MISSION AUSTRALIA STAFFING.

(a) **SENSE OF CONGRESS.**—It is the sense of Congress that—

(1) Australia is one of the closest allies of the United States and integral to United States national security interests in the Indo-Pacific;

(2) the United States-Australia alliance has seen tremendous growth, including through AUKUS, as part of which, the United States plans to rotate up to four Virginia-class attack submarines out of the Australian port of Perth by 2027; and

(3) current United States staffing and facilities across United States Mission Australia do not appear adequately resourced to support an expanding mission set and are no longer commensurate with strategic developments, as the United States will need to station many more United States civilian and military personnel in western Australia to support the maintenance and supply of these vessels.

(b) **REPORT.**—

(1) **IN GENERAL.**—Not later than 90 days after the enactment of this Act, the Secretary shall submit to the appropriate committees of Congress a report regarding staffing and facility requirements at United States Mission Australia.

(2) **CONTENTS.**—The report required under paragraph (1) shall include—

(A) an assessment of how many Americans, which includes United States Government personnel (including members of the United States Armed Forces) and their family members and dependents, the Department of State expects in the Perth area and across Australia in the next 2 years;

(B) an assessment of what requirements those Americans will have, including housing, schooling, and office space;

(C) a description of how many staff are currently in the United States Consulate in Perth and their roles;

(D) information regarding any discussions or decisions at the Department of State about transferring staff from elsewhere within Mission Australia to increase staffing in Perth and the tradeoffs of such personnel moves;

(E) a status update on the interagency process begun in 2024 to assess the needs of Mission Australia;

(F) an assessment of the impact the Department of State re-organization and workforce reduction is having on the staffing contemplated by that process; and

(G) an estimated total cost of expanding Perth staffing to sufficiently serve the increased presence of United States citizens in the area and to achieve any other United States foreign policy objectives.

(c) **APPROPRIATE COMMITTEES OF CONGRESS DEFINED.**—In this section, the term “appropriate committees of Congress” means—

(1) the Committee on Foreign Relations of the Senate;

(2) the Committee on Appropriations of the Senate;

(3) the Committee on Foreign Affairs of the House of Representatives; and

(4) the Committee on Appropriations of the House of Representatives.

SEC. 5557. FACILITATING REGULATORY EXCHANGES WITH ALLIES AND PARTNERS.

(a) **IN GENERAL.**—The Secretary, in coordination with the heads of other relevant Federal departments and agencies, should establish and develop a voluntary program to facilitate and encourage regular dialogues between interested United States Government regulatory and technical agencies and their counterpart organizations in allied and partner countries, both bilaterally and in relevant multilateral institutions and organizations—

(1) to promote best practices in regulatory formation and implementation;

(2) to collaborate to achieve optimal regulatory outcomes based on scientific, technical, and other relevant principles;

(3) to seek better harmonization and alignment of regulations and regulatory practices; and

(4) to build consensus around industry and technical standards in emerging sectors that will drive future global economic growth and commerce.

(b) **PRIORITIZATION OF ACTIVITIES.**—In facilitating expert exchanges under subsection (a), the Secretary shall prioritize—

(1) bilateral coordination and collaboration with countries where greater regulatory coherence, harmonization of standards, or communication and dialogue between technical agencies is achievable and best advances the economic and national security interests of the United States;

(2) multilateral coordination and collaboration where greater regulatory coherence, harmonization of standards, or dialogue on other relevant regulatory matters is achievable and best advances the economic and national security interests of the United States, including with the members of—

(A) the European Union;

(B) the Asia-Pacific Economic Cooperation;

(C) the Association of Southeast Asian Nations (ASEAN);

(D) the Organization for Economic Cooperation and Development (OECD);

(E) the Pacific Alliance; and

(F) multilateral development banks; and

(3) regulatory practices and standards-setting bodies focused on key economic sectors and emerging technologies.

(c) **PARTICIPATION BY NONGOVERNMENTAL ENTITIES.**—With regard to the program described in subsection (a), the Secretary may facilitate the participation of relevant organizations and individuals with relevant expertise, as appropriate and to the extent that such participation advances the goals of such program.

(d) **RULE OF CONSTRUCTION.**—The authorities provided by this section are intended solely to provide United States embassy and related Department support for dialogues which may occur outside the United States, on a strictly voluntary basis and as agreed to by the relevant United States Federal department or agency with their foreign counterparts, and are not intended to obligate in any way the participation of any other Federal department or agency in such dialogues.

SEC. 5558. PILOT PROGRAM TO AUDIT BARRIERS TO COMMERCE IN DEVELOPING PARTNER COUNTRIES.

(a) **ESTABLISHMENT.**—The Secretary, in coordination with relevant Federal departments and agencies as determined by the Secretary, is authorized to establish a pilot program—

(1) to identify and evaluate barriers to commerce in developing countries that are allies and partners of the United States; and

(2) to provide assistance to promote economic development and commerce to those countries.

(b) **PURPOSES.**—Under the pilot program established under subsection (a), the Secretary shall, in partnership with the countries selected under subsection (c)(1)—

(1) seek to identify possible barriers in those countries that limit international commerce with the goal of setting priorities for the efficient use of United States economic assistance;

(2) focus relevant United States economic assistance on building self-sustaining institutional capacity for expanding commerce with those countries, consistent with their international obligations and commitments; and

(3) further the national interests of the United States by—

(A) expanding prosperity through the elimination of foreign barriers to commercial exchange;

(B) assisting such countries to identify and reduce commercial restrictions, including through the deployment of targeted foreign assistance, as appropriate, to increase international commerce and investment;

(C) assisting each selected country in undertaking reforms that will promote economic growth, and promote conditions favorable for business and commercial development and job growth in the country; and

(D) assisting private sector entities in those countries to engage in reform efforts and enhance productive global supply chain partnerships with the United States and allies and partners of the United States.

(c) **SELECTION OF COUNTRIES.**—

(1) **IN GENERAL.**—The Secretary shall select countries for participation in the pilot program established under subsection (a) from among developing countries—

(A) that are allies and partners of the United States;

(B) the governments of which have clearly demonstrated a willingness to make appropriate legal, policy, and regulatory reforms that are proven to stimulate economic growth and job creation, consistent with international trade rules and practices; and

(C) that meet such additional criteria as may be established by the Secretary, in consultation with, as appropriate, the heads of other Federal departments and agencies as determined by the Secretary.

(2) **CONSIDERATIONS FOR ADDITIONAL CRITERIA.**—In establishing additional criteria under paragraph (1)(C), the Secretary shall—

(A) identify and address structural weaknesses, systemic flaws, or other impediments within countries that may be considered for participation in the pilot program under subsection (a) that impact the effectiveness of United States assistance to and make recommendations for addressing those weaknesses, flaws, and impediments;

(B) set priorities for commercial development assistance that focus resources on countries where the provision of such assistance can deliver the best value in identifying and eliminating commercial barriers; and

(C) developing appropriate performance measures and establishing annual targets to monitor and assess progress toward achieving those targets, including measures to be used to terminate the provision of assistance determined to be ineffective.

(3) **NUMBER AND DEADLINE FOR SELECTIONS.**—

(A) **IN GENERAL.**—Not later than 270 days after the date of the enactment of this Act, and annually thereafter for 3 years, the Secretary should select countries for participation in the pilot program.

(B) **NUMBER.**—The Secretary should select for participation in the pilot program under subsection (a) not fewer than 3 countries during the 1-year period beginning on the date of the enactment of this Act.

(4) **PRIORITIZATION BASED ON RECOMMENDATIONS FROM CHIEFS OF MISSION.**—In selecting countries under paragraph (1) for participation in the pilot program under subsection (a), the Secretary shall prioritize—

(A) countries recommended by chiefs of mission—

(i) that will be able to substantially benefit from expanded commercial development assistance; and

(ii) the governments of which have demonstrated the political will to effectively and sustainably implement such assistance; or

(B) groups of countries, including groups of geographically contiguous countries, including as recommended by chiefs of mission, that meet the criteria under subparagraph (A) and as a result of expanded United States commercial development assistance, will contribute to greater intra-regional commerce or regional economic integration.

(d) **PLANS OF ACTION.**—

(1) **IN GENERAL.**—The Secretary shall lead in engaging relevant officials of each country selected under subsection (c)(1) to participate in the pilot program under subsection (a) with respect to the development of a plan of action to identify and evaluate barriers to economic and commercial development that then informs United States assistance.

(2) **ANALYSIS REQUIRED.**—The development of a plan of action under paragraph (1) shall include a comprehensive analysis of relevant legal, policy, and regulatory constraints to economic and job growth in that country.

(3) **ELEMENTS.**—A plan of action developed under paragraph (1) for a country shall include the following:

(A) Priorities for reform agreed to by the government of that country and the United States.

(B) Clearly defined policy responses, including regulatory and legal reforms, as necessary, to achieve improvement in the business and commercial environment in the country.

(C) Identification of the anticipated costs to establish and implement the plan.

(D) Identification of appropriate sequencing and phasing of implementation of the plan to create cumulative benefits, as appropriate.

(E) Identification of best practices and standards.

(F) Considerations with respect to how to make the policy reform investments under the plan long-lasting.

(G) Appropriate consultation with affected stakeholders in that country and in the United States.

(e) **TERMINATION.**—The pilot program established under subsection (a) shall terminate on the date that is 8 years after the date of the enactment of this Act.

SEC. 5559. STRATEGY FOR PROMOTING SUPPLY CHAIN DIVERSIFICATION.

(a) **STRATEGY.**—The Secretary, in consultation with the Secretary of Commerce and the heads of other relevant Federal departments and agencies, as determined by the Secretary, shall develop, implement, and submit to the appropriate congressional committees a diplomatic strategy to support efforts to increase supply chain resiliency and security by promoting and strengthening efforts to incentivize the relocation of supply chains from the People's Republic of China.

(b) **ELEMENTS.**—The strategy required under subsection (a) shall—

(1) be informed by consultations with the governments of allies and partners of the United States;

(2) provide a description of how supply chain diversification can be pursued in a complementary fashion to strengthen the national interests of the United States;

(3) include an assessment of—

(A) the status and effectiveness of current efforts by governments, multilateral development banks, and the private sector to attract investment by private entities who are seeking to diversify from reliance on the People's Republic of China;

(B) major challenges hindering those efforts; and

(C) how the United States can strengthen the effectiveness of those efforts;

(4) identify United States allies and partners with comparative advantages for sourcing and manufacturing critical goods and countries with the greatest opportunities and alignment with United States values;

(5) identify how activities by the International Trade Administration and other relevant Federal agencies, as determined by the Secretary, can effectively be leveraged to strengthen and promote supply chain diversification, including nearshoring to Latin America and the Caribbean as appropriate;

(6) advance diplomatic initiatives to secure specific national commitments by governments in Latin America and the Caribbean to undertake efforts to create favorable conditions for nearshoring in the region, including commitments—

(A) to develop formalized national strategies to attract investment from the United States;

(B) to address corruption and rule of law concerns;

(C) to modernize digital and physical infrastructure of these nations;

(D) to improve ease of doing business; and

(E) to finance and incentivize nearshoring initiatives that transfer supply chains from the People's Republic of China to the nations of the Americas;

(7) advance, in coordination with the National Institute of Standards [and] Technology, diplomatic initiatives towards mutually beneficial dialogues on standards and regulations; and

(8) in coordination with the International Trade Administration, develop and implement assistance programs to finance, incentivize, or otherwise promote supply chain diversification in accordance with the assessments and identifications made pursuant to paragraphs (3), (4), and (5), including, at minimum, programs—

(A) to help develop physical and digital infrastructure;

(B) to promote transparency in procurement processes;

(C) to provide technical assistance in implementing national nearshoring strategies;

(D) to help mobilize private investment; and

(E) to pursue commitments by private sector entities to relocate supply chains from the People's Republic of China.

(c) **COORDINATION WITH MULTILATERAL DEVELOPMENT BANKS.**—In implementing the strategy required under subsection (a), the Secretary of State and the heads of other relevant Federal departments and agencies, as determined by the Secretary, should, as appropriate, cooperate with the World Bank Group and the regional development banks through the Secretary of the Treasury.

(d) **APPROPRIATE COMMITTEES OF CONGRESS DEFINED.**—In this subsection, the term “appropriate committees of Congress” means—

(1) the Committee on Foreign Relations, the Committee on Commerce, Science, and Transportation, and the Select Committee on Intelligence of the Senate; and

(2) the Committee on Foreign Affairs, the Committee on Energy and Commerce, and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 5560. EXTENSIONS.

(a) **SUPPORT TO ENHANCE THE CAPACITY OF INTERNATIONAL MONETARY FUND MEMBERS TO EVALUATE THE LEGAL AND FINANCIAL TERMS OF SOVEREIGN DEBT CONTRACTS.**—Title XVI of the International Financial Institutions Act (22 U.S.C. 262p et seq.) is amended in section 1630(c) by striking “5-year period” and inserting “10-year period”.

(b) **INSPECTOR GENERAL ANNUITANT WAIVER.**—The authorities provided under section 1015(b) of the Supplemental Appropriations Act, 2010 (Public Law 111-212; 124 Stat. 2332) shall remain in effect through September 30, 2031.

(c) **EXTENSION OF AUTHORIZATIONS TO SUPPORT UNITED STATES PARTICIPATION IN INTERNATIONAL FAIRS AND EXPOS.**—Section 9601(b) of the Department of State Authorizations Act of 2022 (division I of Public Law 117-263; 136 Stat. 3909) is amended by striking “fiscal years 2023 and 2024” and inserting “fiscal years 2023, 2024, 2025, 2026, 2027, and 2028”.

SA 3780. Mr. RICKETTS (for himself and Mr. KAINE) submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title XII, add the following:

Subtitle F—AUKUS Improvement Act of 2025

SEC. 1271. SHORT TITLE.

This subtitle may be cited as the “AUKUS Improvement Act of 2025”.

SEC. 1272. FLEXIBILITY WITH RESPECT TO CERTAIN ARMS EXPORT CONTROL ACT AND OTHER ARMS TRANSFER REQUIREMENTS.

Section 38(l) of the Arms Export Control Act (22 U.S.C. 2778(l)) is amended by adding at the end the following new paragraph:

“(8) **EXEMPTION FROM CERTAIN REQUIREMENTS.**—

“(A) **IN GENERAL.**—Defense articles sold by the United States under this Act that are not included in Supplement No. 2 to Part 126 of title 22 of the Code of Federal Regulations may be reexported, retransferred, or temporarily imported exclusively between the Government of Australia, the Government of the United Kingdom, or entities eligible under section 126.7(b)(2) of title 22 of the Code of Federal Regulations, or successor regulations. Such transfers shall not require the consent of the President under section 3(a)(2) of this Act, or under section 505(a)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2314(a)(1)(B)).

“(B) **INTRA-COMPANY, INTRA-ORGANIZATIONAL, AND INTRA-GOVERNMENTAL TRANSFERS.**—Intra-company, intra-organization, and intra-governmental transfers related to defense articles and defense services described under subparagraph (A) are authorized between officers, employees, and agents who satisfy section 120.64 of title 22 of the Code of Federal Regulations, or successor regulations, including dual or third country nationals who satisfy section 126.18 of title 22 of the Code of Federal Regulations, or successor regulations.”.

SEC. 1273. ELIMINATION OF CERTIFICATION REQUIREMENT FOR COMMERCIAL TECHNICAL ASSISTANCE OR MANUFACTURING LICENSE AGREEMENTS INVOLVING AUSTRALIA AND THE UNITED KINGDOM.

Manufacturing Licensing Agreements and Technical Assistance Agreements for Aus-

tralia and the United Kingdom that involve defense articles that are subject to the licensing exemption under section 38(l) of the Arms Export Control Act (22 U.S.C. 2778(l)) shall not be subject to the requirements for congressional notification under section 36(d) of such Act (22 U.S.C. 2776(d)).

SA 3781. Ms. SMITH submitted an amendment intended to be proposed by her to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle E of title X, add the following:

SEC. 1048. REPORT ON SCAM TEXTS RECEIVED BY SERVICEMEMBERS.

(a) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives and make publicly available a report, based on information available to the Secretary, on scam texts received by members of the Armed Services.

(b) **ELEMENTS.**—The report required under subsection (a) shall include the following elements:

(1) An assessment of the prevalence of scam texts.

(2) A description of the inflicted harm, including financial losses to members of the Armed Forces.

(3) An assessment of national security risks.

(4) A description of the countries of origin of the texts.

SA 3782. Mr. CASSIDY (for himself and Mr. WHITEHOUSE) submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle F of title X, add the following:

SEC. 1067. PUBLIC DISCLOSURE OF VEHICLE AND AIRCRAFT MANIFEST INFORMATION.

(a) **IN GENERAL.**—Section 431 of the Tariff Act of 1930 (19 U.S.C. 1431) is amended—

(1) by amending subsection (a) to read as follows:

“(a) **IN GENERAL.**—Each of the following shall have a manifest that complies with the requirements prescribed under subsection (d):

“(1) Every vessel required to make entry under section 434 or obtain clearance under section 60105 of title 46, United States Code.

“(2) Every aircraft required to make entry and obtain clearance under section 644(a).

“(3) Every commercial vehicle arriving in or departing from the United States that is—

“(A) transporting merchandise for importation into or exportation from the United States; and

“(B) required to transmit advance electronic information under section 343(a) of the Trade Act of 2002 (19 U.S.C. 1415(a)).”;

and

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking “subparagraph (2)” and all that follows through “public disclosure” and inserting “paragraph (2) or (3), when included in a vessel, vehicle, or aircraft manifest, the following information shall be available for public disclosure”;

(ii) in subparagraph (D), by striking “vessel, aircraft, or carrier” and inserting “vessel, vehicle, or aircraft”;

(iii) in subparagraph (E), by striking “or airport of loading” and inserting “, airport, or other point of loading”; and

(iv) in subparagraph (F), by striking “or airport of discharge” and inserting “, airport, or other point of unloading”;

(B) by amending paragraph (2)(B) to read as follows:

“(B)(i) The Secretary shall ensure that any personally identifiable information of individuals, such as the information described in clause (ii), is removed from any manifest signed, produced, delivered, or electronically transmitted under this section before access to the manifest is provided to the public.

“(ii) The information described in this clause includes the following:

“(I) Social Security numbers.

“(II) Passport numbers.

“(III) The following names and addresses appearing in the manifest in the names and addresses associated with a shipper, consignee, or notify party:

“(aa) Names of individuals who are end consumers.

“(bb) Residential addresses (excluding zip codes) that are not primary addresses of a trade or business.

“(iii) Nothing in this paragraph may be construed to permit the removal of the name, address, or identification number of a business from a manifest signed, produced, delivered or electronically transmitted under this section.”

(C) by redesignating paragraph (3) as paragraph (4); and

(D) by inserting after paragraph (2) the following:

“(3) In the case of a manifest required by subsection (a)(3) for a vehicle departing from the United States, when the manifest is provided to the Automated Commercial Environment system of U.S. Customs and Border Protection, U.S. Customs and Border Protection shall process the manifest and provide the information in the manifest described in paragraph (1) and not excluded from disclosure under paragraph (2) to the appropriate parties.”

(b) **APPLICABILITY.**—The amendments made by subsection (a) shall apply with respect to each vessel, vehicle, and aircraft arriving in or departing from the United States on or after the date that is 120 days after the date of the enactment of this Act.

SA 3783. Mr. KELLY submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle C of title VII, add the following:

SEC. 724. STUDY ON PREVALENCE AND MORTALITY OF CANCER AMONG MILITARY ROTARY-WING PILOTS AND AVIATION SUPPORT PERSONNEL.

(a) **STUDY REQUIRED.**—The Director of the Defense Health Agency, in coordination with

the Director of the National Institutes of Health and the Director of the National Cancer Institute, shall conduct a study among covered individuals in two phases as provided by this section.

(b) **INITIAL PHASE OF STUDY.**—

(1) **GOAL OF INITIAL PHASE.**—Under the initial phase of the study under subsection (a), the Director of the Defense Health Agency shall determine, for each cancer specified in paragraph (2), whether there is an increased prevalence of, or increased rate of mortality caused by, such cancer for covered individuals as compared to similarly aged individuals in the general population (or, in the case of the cancer specified in paragraph (2)(B), for female covered individuals as compared to similarly aged women in the general population).

(2) **CANCERS SPECIFIED.**—The cancers specified in this paragraph are the following:

(A) Brain cancer.

(B) Breast cancer.

(C) Colon and rectal cancer.

(D) Kidney cancer.

(E) Lung cancer.

(F) Melanoma.

(G) Non-Hodgkin's lymphoma.

(H) Ovarian cancer.

(I) Pancreatic cancer.

(J) Prostate cancer.

(K) Testicular cancer.

(L) Thyroid cancer.

(M) Urinary bladder cancer.

(N) Other cancers as determined appropriate by the Director of the Defense Health Agency, in coordination with the Director of the National Institutes of Health and the Director of the National Cancer Institute.

(3) **REPORT ON INITIAL PHASE.**—Not later than one year after the date of the enactment of this Act, the Director of the Defense Health Agency shall submit to the appropriate congressional committees a report on the findings of the phase of the study under this subsection.

(c) **SECOND PHASE OF STUDY.**—

(1) **GOAL OF SECOND PHASE.**—If, pursuant to the initial phase of the study under subsection (b), the Director of the Defense Health Agency determines there is an increased prevalence of, or increased mortality rate caused by, any cancer specified in subsection (b)(2) among covered individuals (or, with respect to the cancer specified in subsection (b)(2)(B), among female covered individuals), the Director shall conduct a second phase of the study—

(A) to identify any carcinogenic toxin or other hazardous material associated with the operation of military rotary-wing aircraft, such as fumes, fuels, or other liquids;

(B) to identify any operating environment, including frequencies or electromagnetic fields, in which covered individuals may have received excess exposure to non-ionizing radiation in the course of such operation, including non-ionizing radiation associated with airborne, ground, or shipboard radars; and

(C) to identify potential exposures as a result of service in the Armed Forces by covered individuals to carcinogenic toxins or other hazardous materials not associated with the operation of military rotary-wing aircraft (such as exposure to burn pits, toxins in contaminated water, or toxins embedded in soils), including by determining—

(i) the locations of such service; and

(ii) any duties of covered individuals unrelated to such operation and associated with an increased prevalence of cancer or an increased mortality rate caused by cancer.

(2) **REPORT ON SECOND PHASE.**—If the Director of the Defense Health Agency conducts the phase of the study under this subsection, not later than one year after the date on which the Director submits the report under

subsection (b)(3), the Director shall submit to the appropriate congressional committees a report on the findings of such phase.

(3) **DATA FORMAT.**—The Director of the Defense Health Agency shall format any data resulting from the phase of the study under this subsection consistent with the formatting of data under the Surveillance, Epidemiology, and End Results Program, including by disaggregating such data by race, gender, and age.

(d) **SOURCES OF DATA.**—In conducting the study under this section, the Director of the Defense Health Agency shall use data from—

(1) the database of the Surveillance, Epidemiology, and End Results Program;

(2) the study conducted under section 750 of the National Defense Authorization Act for Fiscal Year 2021 (Public Law 116-283; 134 Stat. 3716); and

(3) any other study previously conducted by the Secretary of a military department that the Director determines relevant for purposes of this section.

(e) **DEFINITIONS.**—In this section:

(1) **APPROPRIATE CONGRESSIONAL COMMITTEES.**—The term “appropriate congressional committees” means—

(A) the Committee on Armed Services and the Committee on Veterans' Affairs of the Senate; and

(B) the Committee on Armed Services and the Committee on Veterans' Affairs of the House of Representatives.

(2) **COVERED ARMED FORCE.**—The term “covered Armed Force” means the Army, the Navy, the Marine Corps, the Air Force, or the Space Force.

(3) **COVERED INDIVIDUAL.**—The term “covered individual” means any individual who—

(A) served in a covered Armed Force on or after February 28, 1961, as an aircrew member of a rotary-wing aircraft (including as a pilot or aviation support personnel), without regard to the status, position, rank, or grade of the individual within such crew; and

(B) receives health care benefits under chapter 55 of title 10, United States Code.

(4) **SURVEILLANCE, EPIDEMIOLOGY, AND END RESULTS PROGRAM.**—The term “Surveillance, Epidemiology, and End Results Program” means the program of the National Cancer Institute referred to in section 399B(d)(1) of the Public Health Service Act (42 U.S.C. 280e(d)(1)), or any successor program.

SA 3784. Mr. BUDD (for himself, Mr. COTTON, and Mr. WARNER) submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in title X, insert the following:

SEC. 10. IDENTIFICATION OF REALLOCABLE FREQUENCIES.

Section 113 of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 923) is amended—

(1) in subsection (h)(7)(A)—

(A) in clause (i), by redesignating subclauses (I) and (II) as items (aa) and (bb), respectively, and adjusting the margins accordingly;

(B) by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively, and adjusting the margins accordingly;

(C) by striking “If any of the information” and inserting the following:

“(i) **IN GENERAL.**—If a portion of the information”; and

(D) by adding at the end the following:

“(ii) FULL CLASSIFICATION.—

“(I) IN GENERAL.—Notwithstanding paragraphs (5) and (6), if the classification of information required to be included in the transition plan of a Federal entity prohibits even the public release of a redacted transition plan, as determined by the head of the Federal entity, the Federal entity shall—

“(aa) notify the NTIA that the entire transition plan must be classified and that even a redacted version cannot be made public; and

“(bb) classify the transition plan in accordance with the levels of materials contained in the transition plan.

“(II) RULE OF CONSTRUCTION.—Nothing in subclause (I) may be construed as relieving a Federal entity from the requirement under paragraph (1) to submit to the NTIA and to the Technical Panel established by paragraph (3) a transition plan for the implementation by such entity of the applicable relocation or sharing arrangement.”; and

(2) in subsection (1)—

(A) by striking “For purposes of” and inserting the following:

“(1) IN GENERAL.—For purposes of”; and

(B) by adding at the end the following:

“(2) ELEMENTS OF THE INTELLIGENCE COMMUNITY.—Notwithstanding paragraph (1) or any other provision of this part, each element of the intelligence community (as defined in section 3 of the National Security Act of 1947 (50 U.S.C. 3003)) shall be considered a Federal entity and shall be eligible to receive payment from the Spectrum Relocation Fund for any auction-related relocation or sharing costs incurred by the element regardless of the existence of a Government station license.”.

SA 3785. Ms. SMITH submitted an amendment intended to be proposed by her to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____ . RURAL EMERGENCY HOSPITAL FIX.

(a) MODIFYING ELIGIBILITY REQUIREMENTS.—

(1) IN GENERAL.—Section 1861(kkk)(3) of the Social Security Act (42 U.S.C. 1395x(kkk)(3)) is amended, in the matter preceding subparagraph (A), by inserting “January 1, 2020, or” after “as of”.

(2) IMPLEMENTATION.—Notwithstanding any other provision of law, the Secretary of Health and Human Services may implement the amendment made by paragraph (1) by program instruction or otherwise.

(b) MEDICARE IMPROVEMENT FUND.—Section 1898(b)(1) of the Social Security Act (42 U.S.C. 1395iii(b)(1)) is amended by striking “\$1,804,000,000” and inserting “\$1,603,000,000”.

SA 3786. Mr. Kaine submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle C of title VIII, add the following:

SEC. 849B. REQUIREMENT TO BUY DISPOSABLE FOOD SERVICE PRODUCTS FROM AMERICAN SOURCES; EXCEPTIONS.

(a) IN GENERAL.—Subchapter II of chapter 385 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 4865. Requirement to buy disposable food service products from American sources; exceptions

“(a) REQUIREMENT.—The Secretary of Defense may only procure disposable food service products that—

“(1) are American-made;

“(2) contain no added perfluoroalkyl substances or polyfluoroalkyl substances; and

“(3) improve operational readiness (as defined in section 4322 of this title).

“(b) WAIVER.—(1) The Secretary of Defense may waive the requirement under subsection (a) if the Secretary—

“(A) determines that the waiver is in the best interest of the national security of the United States; and

“(B) submits to the congressional defense committees a written justification for issuing such waiver.

“(2) The Secretary may not delegate the authority to issue a waiver under this subsection to an official below the level of the Under Secretary of Defense for Acquisition and Sustainment.

“(c) DEFINITIONS.—In this section:

“(1) AMERICAN-MADE.—The term ‘American-made’ means, with respect to a disposable food service product, that such product is manufactured or produced in the United States—

“(A) by an entity that is incorporated and headquartered in the United States; and

“(B) substantially all from articles, materials, or supplies produced or manufactured in the United States.

“(2) DISPOSABLE FOOD SERVICE PRODUCTS.—The term ‘disposable food service products’ means—

“(A) single-use products for serving or transporting ready-to-consume food or beverages; and

“(B) excludes—

“(i) plastic food wrappers or other plastic packaging for food; and

“(ii) operational rations, including meals ready-to-eat or unitized group rations.

“(3) PERFLUOROALKYL SUBSTANCE; POLYFLUOROALKYL SUBSTANCE.—The terms ‘perfluoroalkyl substance’ and ‘polyfluoroalkyl substance’ have the meanings given the terms in section 2714 of this title.”.

(b) REVISION OF DFARS.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall revise the Department of Defense Supplement to the Federal Acquisition Regulation to implement the requirements of section 4865 of title 10, United States Code, as added by this section.

SA 3787. Mr. Kaine (for himself and Mr. Warner) submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title XXVIII, add the following:

SEC. 2811. COASTAL STORM RISK MANAGEMENT PROJECTS.

(a) IN GENERAL.—The Secretary of Defense shall carry out projects for mitigation of

hurricane and storm damage risk that will contribute to maintaining or improving military installation resilience (as defined in section 101(f)(8) of title 10, United States Code) or will prevent or mitigate encroachment that could affect operations of the Department of Defense.

(b) COST SHARE.—Not more than 10 percent of the amount of costs associated with the coastal storm risk management features of a project carried out under subsection (a) shall be paid by a non-Federal interest.

SA 3788. Mr. Ricketts submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in title XII, insert the following:

Subtitle ____ —AUKUS Improvement Act of 2025

SEC. ____ . SHORT TITLE.

This subtitle may be cited as the “AUKUS Improvement Act of 2025”.

SEC. ____ . FLEXIBILITY WITH RESPECT TO CERTAIN ARMS EXPORT CONTROL ACT AND OTHER ARMS TRANSFER REQUIREMENTS.

Section 38(l) of the Arms Export Control Act (22 U.S.C. 2778(l)) is amended by adding at the end the following new paragraph:

“(8) EXEMPTION FROM CERTAIN REQUIREMENTS.—

“(A) IN GENERAL.—Defense articles sold by the United States under this Act, whether pursuant to the exemption authorized under this section or identical to defense articles eligible for export under that exemption, may be reexported, retransferred or temporarily imported exclusively between the Government of Australia, the Government of the United Kingdom, or entities eligible under section 126.7(b)(2) of title 22 of the Code of Federal Regulations, or successor regulations, notwithstanding the requirement for the consent of the President under section 3(a)(2) of this Act, or under section 505(a)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2314(a)(1)(B)).

“(B) INTRA-COMPANY, INTRA-ORGANIZATIONAL, AND INTRA-GOVERNMENTAL TRANSFERS.—Intra-company, intra-organization, and intra-governmental transfers related to defense articles and defense services described under subparagraph (A) are authorized between officers, employees, and agents who satisfy section 120.64 of title 22 of the Code of Federal Regulations, or successor regulations, including dual or third country nationals who satisfy section 126.18 of title 22 of the Code of Federal Regulations, or successor regulations.”.

SEC. ____ . ELIMINATION OF CERTIFICATION REQUIREMENT FOR COMMERCIAL TECHNICAL ASSISTANCE OR MANUFACTURING LICENSE AGREEMENTS INVOLVING AUSTRALIA AND THE UNITED KINGDOM.

Manufacturing Licensing Agreements and Technical Licensing Agreements for Australia and the United Kingdom that do not involve defense articles that are not subject to the licensing exemption under section 38(l) of the Arms Export Control Act (22 U.S.C. 2778(l)) are not subject to the requirements for congressional notification pursuant to section 36(d) of that Act (22 U.S.C. 2776(d)).

SA 3789. Ms. ROSEN (for herself and Ms. Ernst) submitted an amendment

intended to be proposed by her to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle F of title X, add the following:

SEC. 1067. SMALL BUSINESS LOANS FOR NON-PROFIT CHILD CARE PROVIDERS.

(a) FINDINGS.—Congress finds that—

(1) there is a severe shortage of affordable and quality child care options in the United States;

(2) access to affordable and quality child care bolsters military recruitment and retention efforts and contributes to mission readiness;

(3) military families face unique barriers to accessing affordable and quality child care, including relocating frequently, requiring child care for irregular hours, and living far from extended family and supportive networks;

(4) lack of access to affordable and quality child care impacts the ability of military spouses to enter the workforce or maintain employment; and

(5) military families face challenges accessing military child care centers, which often have limited capacity due to long waitlists and staff shortages.

(b) BUSINESS LOAN PROGRAM.—Section 3(a) of the Small Business Act (15 U.S.C. 632(a)) is amended by adding at the end the following:

“(10) NONPROFIT CHILD CARE PROVIDERS.—

“(A) DEFINITION.—In this paragraph, the term ‘covered nonprofit child care provider’ means an organization—

“(i) that—

“(I) is in compliance with licensing requirements for child care providers of the State in which the organization is located;

“(II) is described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code;

“(III) is primarily engaged in providing child care for children from birth to compulsory school age; and

“(IV) is in compliance with the size standards established under this subsection for business concerns in the applicable industry;

“(ii) for which each employee and regular volunteer complies with the criminal background check requirements under section 658H(b) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858f(b));

“(iii) that may—

“(I) provide care for school-age children outside of school hours or outside of the school year; or

“(II) offer preschool or prekindergarten educational programs; and

“(B) ELIGIBILITY FOR CERTAIN LOAN PROGRAMS.—

“(i) IN GENERAL.—Notwithstanding any other provision of this subsection, a covered nonprofit child care provider shall be deemed to be a small business concern for purposes of loans and financings under section 7(a).

“(ii) PROHIBITION ON DIRECT LENDING.—A loan or financing to a covered nonprofit child care provider made under the authority under clause (i) shall be made in cooperation with banks, certified development companies, or other financial institutions through agreements to participate on a deferred (guaranteed) basis. The Administrator is prohibited from making a direct loan or financing or entering an agreement to participate on an immediate basis for a loan or financing made to a covered nonprofit child care provider under the authority under clause (i).

“(iii) LOAN GUARANTEE.—A covered nonprofit child care provider—

“(I) shall obtain a guarantee of timely payment of the loan or financing from another person or entity to be eligible for such loan or financing of more than \$500,000 under the authority under clause (i); and

“(II) may not be required to obtain a guarantee of timely payment of the loan or financing to be eligible for such loan or financing that is not more than \$500,000 under the authority under clause (i).

“(C) LIMITATIONS.—

“(i) BASIS FOR INELIGIBILITY.—The Administrator may not determine that a covered nonprofit child care provider is not eligible for a loan or financing described in subparagraph (B)(i) on the basis that the covered nonprofit child care provider is associated with an entity whose activities are protected under the First Amendment to the Constitution of the United States, as interpreted by the courts of the United States.

“(ii) PRIORITIZATION OF LOAN APPLICATIONS AND APPROVALS.—The Administrator shall prioritize the processing and approval of applications for a loan or financing described in subparagraph (B)(i) by, and disbursement of funds under a loan or financing described in subparagraph (B)(i) to, covered nonprofit child care providers that are within the same metropolitan statistical area (as defined by the Office of Management and Budget) as a military installation (as defined in section 2801(c) of title 10, United States Code) within the United States.”.

(c) 504 PROGRAM.—Section 502 of the Small Business Investment Act of 1958 (15 U.S.C. 696) is amended—

(1) in the matter preceding paragraph (1), by striking “The Administration” and inserting the following:

“(a) IN GENERAL.—The Administration”; and

(2) by adding at the end the following:

“(b) NONPROFIT CHILD CARE PROVIDERS.—

“(1) DEFINITION.—In this subsection, the term ‘covered nonprofit child care provider’ has the meaning given that term in section 3(a)(10) of the Small Business Act (15 U.S.C. 632(a)(10)).

“(2) ELIGIBILITY FOR CERTAIN LOAN PROGRAMS.—

“(A) IN GENERAL.—Notwithstanding any other provision of this title, a covered nonprofit child care provider shall be deemed to be a small business concern for purposes of loans and financings under this title.

“(B) PROHIBITION ON DIRECT LENDING.—A loan or financing to a covered nonprofit child care provider made under the authority under subparagraph (A) shall be made in cooperation with banks, certified development companies, or other financial institutions through agreements to participate on a deferred (guaranteed) basis. The Administrator is prohibited from making a direct loan or financing or entering an agreement to participate on an immediate basis for a loan or financing made to a covered nonprofit child care provider under the authority under subparagraph (A).

“(C) LOAN GUARANTEE.—A covered nonprofit child care provider—

“(i) shall obtain a guarantee of timely payment of the loan or financing from another person or entity to be eligible for such loan or financing of more than \$500,000 under the authority under subparagraph (A); and

“(ii) may not be required to obtain a guarantee of timely payment of the loan or financing to be eligible for such loan or financing that is not more than \$500,000 under the authority under subparagraph (A).

“(3) LIMITATIONS.—

“(A) BASIS FOR INELIGIBILITY.—The Administrator may not determine that a covered nonprofit child care provider is not eligible

for a loan or financing described in paragraph (2)(A) on the basis that the covered nonprofit child care provider is associated with an entity whose activities are protected under the First Amendment to the Constitution of the United States, as interpreted by the courts of the United States.

“(B) USE OF FUNDS.—A covered nonprofit child care provider receiving a loan or financing described in paragraph (2)(A) may not use the proceeds of the loan or financing for a religious activity protected under the First Amendment to the Constitution of the United States, as interpreted by the courts of the United States.

“(C) PRIORITIZATION OF LOAN APPLICATIONS AND APPROVALS.—The Administrator shall prioritize the processing and approval of applications for a loan or financing described in paragraph (2)(A) by, and disbursement of funds under a loan or financing described in paragraph (2)(A) to, covered nonprofit child care providers that are within the same metropolitan statistical area (as defined by the Office of Management and Budget) as a military installation (as defined in section 2801(c) of title 10, United States Code) within the United States.”.

(d) REPORTING.—

(1) DEFINITION.—In this subsection, the term “covered nonprofit child care provider” has the meaning given the term in paragraph (10) of section 3(a) of the Small Business Act (15 U.S.C. 632(a)), as added by subsection (b).

(2) REQUIREMENT.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Administrator of the Small Business Administration shall submit to Congress a report that contains—

(A) for the year covered by the report—

(i) the number of loans and financings made under section 7(a) of the Small Business Act (15 U.S.C. 636(a)) to covered nonprofit child care providers;

(ii) the amount of the loans and financings described in clause (i);

(iii) the number of loans and financings provided under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.) to covered nonprofit child care providers; and

(iv) the amount of the loans and financings described in clause (iii); and

(B) any other information determined relevant by the Administrator.

SA 3790. Mr. SANDERS (for himself and Mr. GRASSLEY) submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title X, add the following:

SEC. 1005. DEPARTMENT OF DEFENSE SPENDING REDUCTIONS IN THE ABSENCE OF AN UNQUALIFIED AUDIT OPINION.

If during any fiscal year after fiscal year 2024, the Secretary of Defense determines that a department, agency, or other element of the Department of Defense has not achieved an unqualified opinion on its full financial statements for the calendar year ending during such fiscal year—

(1) the amount available to such department, agency, or element for the fiscal year in which such determination is made shall be equal to the amount otherwise authorized to be appropriated minus 2.0 percent;

(2) the amount unavailable to such department, agency, or element for that fiscal year

pursuant to paragraph (1) shall be applied on a pro rata basis against each program, project, and activity of such department, agency, or element in that fiscal year; and

(3) the Secretary shall deposit in the general fund of the Treasury for purposes of deficit reduction all amounts unavailable to departments, agencies, and elements of the Department in the fiscal year pursuant to determinations made under paragraph (1).

SA 3791. Mr. RISCH (for himself and Mrs. SHAHEEN) submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end add the following:

DIVISION E—DEPARTMENT OF STATE AUTHORIZATION ACT FOR FISCAL YEAR 2026

SEC. 5001. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This division may be cited as the “Department of State Authorization Act for Fiscal Year 2026”.

(b) **TABLE OF CONTENTS.**—The table of content for this division is as follows:

DIVISION E—DEPARTMENT OF STATE AUTHORIZATION ACT FOR FISCAL YEAR 2026

Sec. 5001. Short title; table of contents.

Sec. 5002. Definitions.

TITLE LXI—WORKFORCE MATTERS

Sec. 5101. Report on vetting of Foreign Service Institute language instructors.

Sec. 5102. Training limitations.

Sec. 5103. Language incentive pay for civil service employees.

Sec. 5104. Options for comprehensive evaluations.

Sec. 5105. Job share and part-time employment opportunities.

Sec. 5106. Promoting reutilization of language skills in the Foreign Service.

TITLE LXII—ORGANIZATION AND OPERATIONS

Sec. 5201. Periodic briefings from Bureau of Intelligence and Research.

Sec. 5202. Support for congressional delegations.

Sec. 5203. Notification requirements for authorized and ordered departures.

Sec. 5204. Strengthening enterprise governance.

Sec. 5205. Establishing and expanding the Regional China Officer program.

Sec. 5206. Report on China’s diplomatic posts.

Sec. 5207. Notification of intent to reduce personnel at covered diplomatic posts.

Sec. 5208. Foreign affairs manual changes.

TITLE LXIII—INFORMATION SECURITY AND CYBER DIPLOMACY

Sec. 5301. Supporting Department of State data analytics.

Sec. 5302. Post Data Pilot Program.

Sec. 5303. Authorization to use commercial cloud enclaves overseas.

Sec. 5304. Reports on technology transformation projects at the Department of State.

Sec. 5305. Commercial spyware.

Sec. 5306. Review of science and technology agreement with the People’s Republic of China.

TITLE LXIV—PUBLIC DIPLOMACY

Sec. 5401. Foreign information manipulation and interference strategy.

Sec. 5402. Lifting the prohibition on use of Federal funds for World’s Fair pavilions and exhibits.

TITLE LXV—DIPLOMATIC SECURITY AND CONSULAR AFFAIRS

Sec. 5501. Report concerning Department of State consular officers joining Coast Guard and Navy missions to Pacific island countries.

Sec. 5502. Report on security conditions in Damascus, Syria, required for the reopening of the United States diplomatic mission.

Sec. 5503. Embassies, consulates, and other diplomatic installations return to standards report.

Sec. 5504. Visa operations report.

Sec. 5505. Reauthorization of overtime pay for protective services.

TITLE LXVI—MISCELLANEOUS

Sec. 5551. Submission of federally funded research and development center reports to Congress.

Sec. 5552. Quarterly report on diplomatic pouch access.

Sec. 5553. Report on utility of instituting a processing fee for ITAR license applications.

Sec. 5554. HAVANA Act payment fix.

Sec. 5555. Establishing an inner Mongolia section within the United States embassy in Beijing.

Sec. 5556. Report on United States Mission Australia staffing.

Sec. 5557. Facilitating regulatory exchanges with allies and partners.

Sec. 5558. Pilot program to audit barriers to commerce in developing partner countries.

Sec. 5559. Strategy for promoting supply chain diversification.

Sec. 5560. Extensions.

Sec. 5561. Permitting for international bridges and land ports of entry.

Sec. 5562. Updating counterterrorism reports.

SEC. 5002. DEFINITIONS.

In this division:

(1) **APPROPRIATE CONGRESSIONAL COMMITTEES.**—The term “appropriate congressional committees” means the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives.

(2) **DEPARTMENT.**—The term “Department” means the Department of State.

(3) **SECRETARY.**—The term “Secretary” means the Secretary of State.

TITLE LXI—WORKFORCE MATTERS

SEC. 5101. REPORT ON VETTING OF FOREIGN SERVICE INSTITUTE LANGUAGE INSTRUCTORS.

(a) **REPORT.**—Not later than 120 days after the date of the enactment of this Act, the Secretary of State shall submit to the appropriate congressional committees a report on the execution of requirements under section 6116 of the Department of State Authorization Act of Fiscal Year 2023 (22 U.S.C. 4030) that includes—

(1) a description of all steps taken to date to carry out that section;

(2) a detailed explanation of the suitability or fitness reviews, background investigations, and post-employment vetting, as applicable, of relevant Foreign Service Institute instructors who provide language instructions; and

(3) a description of planned additional steps required to execute such section.

SEC. 5102. TRAINING LIMITATIONS.

The Department shall require the approval of the Secretary for eliminations of long-term training assignments.

SEC. 5103. LANGUAGE INCENTIVE PAY FOR CIVIL SERVICE EMPLOYEES.

The Secretary may provide special monetary incentives to acquire or retain proficiency in foreign languages to civil service employees who serve in domestic positions requiring critical language skills that are located in the fifty United States, the District of Columbia, and non-foreign areas (United States territories and possessions, the Commonwealth of Puerto Rico, and the Commonwealth of the Northern Mariana Islands). The amounts of such incentives should be similar to the language incentive pay provided to members of the Foreign Service pursuant to section 704(b)(3) of the Foreign Service Act of 1980 (22 U.S.C. 4024(b)(3)).

SEC. 5104. OPTIONS FOR COMPREHENSIVE EVALUATIONS.

(a) **IN GENERAL.**—The Secretary shall assess options for integrating 360-degree reviews in personnel files for promotion panel consideration.

(b) **EVALUATION SYSTEMS.**—The assessment required by subsection (a) shall include—

(1) one or more options to integrate 360-degree reviews, references, or evaluations by superiors, peers, and subordinates, including consideration of automated reference requests; and

(2) other modifications or systems the Secretary considers relevant.

(c) **ELEMENTS.**—The assessment required by subsection (a) shall describe, with respect to each evaluation system included in the report—

(1) any legal constraints or considerations;

(2) the timeline required for implementation;

(3) any starting and recurring costs in comparison to current processes;

(4) the likely or potential implications for promotion decisions and trends; and

(5) the impact on meeting the personnel needs of the Foreign Service.

SEC. 5105. JOB SHARE AND PART-TIME EMPLOYMENT OPPORTUNITIES.

(a) **IN GENERAL.**—The Secretary shall establish and publish a Department policy on job share and part-time employment opportunities. The policy shall include a template for job-sharing arrangements, a database of job share and part-time employment opportunities, and a point of contact in the Bureau of Global Talent Management.

(b) **WORKPLACE FLEXIBILITY TRAINING.**—The Secretary shall incorporate training on workplace flexibility, including the availability of job share and part-time employment opportunities, into employee onboarding.

(c) **ANNUAL REPORT.**—The Secretary shall submit to the appropriate congressional committees a report on workplace flexibility at the Department, including data on the number of employees utilizing job share or part-time employment arrangements.

(d) **EXCEPTION FOR THE BUREAU OF INTELLIGENCE AND RESEARCH.**—The policy described in subsection (a) shall not apply to officers and employees of the Bureau of Intelligence and Research.

SEC. 5106. PROMOTING REUTILIZATION OF LANGUAGE SKILLS IN THE FOREIGN SERVICE.

(a) **SENSE OF CONGRESS.**—It is the sense of Congress that—

(1) foreign language skills are essential to effective diplomacy, particularly in high-priority positions, such as Chinese- and Russian-language designated positions focused on the People’s Republic of China and Russia;

(2) reutilization of acquired language skills creates efficiencies through the reduction of language training overall and increases regional expertise;

(3) often, investments in language skills are not sufficiently utilized and maintained throughout the careers of members of the Foreign Service following an initial assignment after language training;

(4) providing incentives or requirements to select “out-year bidders” for priority language-designated assignments would decrease training costs overall and encourage more expertise in relevant priority areas; and

(5) incentives for members of the Foreign Service to not only acquire and retain, but reuse, foreign language skills in priority assignments would reduce training costs in terms of both time and money and increase regional expertise to improve abilities in those areas deemed high priority by the Secretary.

(b) INCENTIVES TO REUTILIZE LANGUAGE SKILLS.—Section 704(b)(3) of the Foreign Service Act of 1980 (22 U.S.C. 4024(b)(3)) is amended by inserting “and reutilize” after “to acquire or retain proficiency in”.

TITLE LXII—ORGANIZATION AND OPERATIONS

SEC. 5201. PERIODIC BRIEFINGS FROM BUREAU OF INTELLIGENCE AND RESEARCH.

(a) IN GENERAL.—Not later than 30 days after the date of the enactment of this Act, and at least every 90 days thereafter for at least the next 3 years, the Secretary shall offer to the appropriate committees of Congress a joint briefing facilitated by the Bureau of Intelligence and Research and including other bureaus, as appropriate, on—

(1) any topic requested by one or more of the appropriate congressional committees;

(2) any topic of current importance to the national security of the United States; and

(3) any other topic the Secretary considers necessary.

(b) LOCATION.—The briefings required under subsection (a) shall be held at a secure facility that is suitable for review of information that is classified at the level of “Top Secret/SCI”.

(c) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term “appropriate committees of Congress” means—

(1) the Committee on Foreign Relations and the Select Committee on Intelligence of the Senate;

(2) and the Committee on Foreign Affairs and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 5202. SUPPORT FOR CONGRESSIONAL DELEGATIONS.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) congressional travel is essential to fostering international relations, understanding global issues first-hand, and jointly advancing United States interests abroad; and

(2) only in close coordination and thanks to the dedication of personnel at United States embassies, consulates, and other missions abroad can the success of these vital trips be possible.

(b) IN GENERAL.—Consistent with applicable laws and the Secretary of State’s security responsibilities, the Secretary shall reaffirm to all diplomatic posts the importance of congressional travel and shall direct all such posts to support congressional travel by members and staff of the appropriate congressional committees to the extent feasible considering capacity and security considerations, when authorized by applicable congressional travel procedures to include the congressional authorization letter and congressional travel legislation and policies. The Secretary shall reaffirm the Depart-

ment’s policies to support such travel by members and staff of the appropriate congressional committees, by making such support available on any day of the week, including Federal and local holidays when required to complete congressional responsibilities and, to the extent practical, requiring the direct involvement of mid-level or senior officers.

(c) EXCEPTION FOR SIMULTANEOUS HIGH-LEVEL VISITS.—The requirement under subsection (b) does not apply in the case of a simultaneous visit from the President, the First Lady or First Gentleman, the Vice President, the Secretary of State, or the Secretary of Defense.

(d) TRAINING.—The Secretary shall require all designated control officers to have been trained on supporting congressional travel at posts abroad prior to the assigned congressional visit.

SEC. 5203. NOTIFICATION REQUIREMENTS FOR AUTHORIZED AND ORDERED DEPARTURES.

(a) DEPARTURES REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit a report to the appropriate congressional committees listing every instance of an authorized or ordered departure during the 5-year period preceding the date of the enactment of this Act.

(2) CONTENTS.—The Secretary shall include in the report required under paragraph (1)—

(A) the name of the post and the date of the approval of the authorized or ordered departure;

(B) the basis for the authorized or ordered departure; and

(C) the number of chief of mission personnel that departed, categorized by agency, as well as their eligible family members, if available.

(b) CONGRESSIONAL NOTIFICATION REQUIREMENT.—Any instance of an authorized or ordered departure shall be notified to appropriate committees not later than 3 days after the Secretary authorized an authorized or ordered departure. The details in the notification shall include—

(1) the information described in subsection (a)(2);

(2) the mode of travel for chief of mission personnel who departed;

(3) the estimated cost of the authorized or ordered departure, including travel and per diem costs; and

(4) the destination of all departed personnel and changes to their work activities due to the departure.

(c) TERMINATION.—This requirements under this section shall terminate on the date that is 5 years after the date of the enactment of this Act.

SEC. 5204. STRENGTHENING ENTERPRISE GOVERNANCE.

(1) ORGANIZATION.—The Chief Information Officer and the Chief Data and Artificial Intelligence Officer of the Department of State should report directly to the Deputy Secretary of State for Management and Resources or, in the event such position is vacant, to the Deputy Secretary of State.

(2) ADJUDICATION OF UNRESOLVED BUDGET AND MANAGEMENT DECISIONS.—Adjudication of unresolved budget and management decisions should be made by the Deputy Secretary of State for Management and Resources in consultation, as appropriate, with the Deputy Secretary of State.

SEC. 5205. ESTABLISHING AND EXPANDING THE REGIONAL CHINA OFFICER PROGRAM.

(1) IN GENERAL.—There is authorized to be established at the Department a Regional China Officer (RCO) program to support regional posts and officers with reporting, information, and policy tools, and to enhance

expertise related to strategic competition with the People’s Republic of China. RCOs shall, to the greatest extent possible, have appropriate fluency.

(2) AUTHORIZATION.—There is authorized to be appropriated to the Secretary \$5,000,000 for each of fiscal years 2026 through 2029 to the Department of State to expand the RCO program, including for—

(A) the hiring of locally employed staff to support Regional China Officers serving abroad; and

(B) the establishment of full-time equivalent positions to assist in managing and facilitating the RCO program.

(3) PROGRAM FUNDS.—There is authorized to be appropriated \$50,000 for each of fiscal years 2026 through 2029 for each Regional China Officer to support programs and public diplomacy activities of the Regional China Officer.

SEC. 5206. REPORT ON CHINA’S DIPLOMATIC POSTS.

(a) IN GENERAL.—The Secretary of State shall submit to appropriate committees of Congress a report on the diplomatic presence of the People’s Republic of China worldwide, including—

(1) the number of diplomatic posts currently maintained by People’s Republic of China in each country; and

(2) the estimated number of diplomatic personnel stationed abroad.

(b) DEFINITIONS.—In this section:

(1) APPROPRIATE COMMITTEES OF CONGRESS.—The term “appropriate committees of Congress” means—

(A) the Committee on Foreign Relations, the Committee on Armed Services, and the Select Committee on Intelligence of the Senate; and

(B) the Committee on Foreign Affairs, the Committee on Armed Services, and the Permanent Select Committee on Intelligence of the House of Representatives.

(2) CONSULAR OR DIPLOMATIC POST.—The term “consular or diplomatic post” does not include a post to which only personnel of agencies other than the Department of State are assigned.

SEC. 5207. NOTIFICATION OF INTENT TO REDUCE PERSONNEL AT COVERED DIPLOMATIC POSTS.

(a) IN GENERAL.—Except as provided in subsection (b), not later than 30 days before the date on which the Secretary of State carries out a reduction in United States Foreign Service personnel of at least 10 percent or at a covered diplomatic post, the Secretary shall submit to the appropriate congressional committees a notification of the intent to carry out such a reduction, which shall include a certification by the Secretary that such reduction will not negatively impact the ability of the United States to compete with the People’s Republic of China or the Russian Federation.

(b) EXCEPTION.—Subsection (a) shall not apply in the case of a security risk to personnel at a covered diplomatic post.

(c) COVERED DIPLOMATIC POST DEFINED.—In this section, the term “covered diplomatic post” means a United States diplomatic post in a country in which the People’s Republic of China or the Russian Federation also have a diplomatic post.

SEC. 5208. FOREIGN AFFAIRS MANUAL CHANGES.

Section 5318(c)(1) of the Department of State Authorization Act of 2021 (22 U.S.C. 2658a) is amended by striking “5 years” and inserting “8 years”.

TITLE LXIII—INFORMATION SECURITY AND CYBER DIPLOMACY

SEC. 5301. SUPPORTING DEPARTMENT OF STATE DATA ANALYTICS.

There is authorized to be appropriated \$3,000,000 to the Secretary for fiscal year 2026

to carry out the “Bureau Chief Data Officer Program”.

SEC. 5302. POST DATA PILOT PROGRAM.

(a) POST DATA AND AI PILOT PROGRAM.—

(1) ESTABLISHMENT.—The Secretary is authorized to establish a program, which shall be known as the “Post Data Program” (referred to in this section as the “Program”), overseen by the Department’s Chief Data and Artificial Intelligence Officer.

(2) GOALS.—The goals of the Program shall include the following:

(A) Cultivating a data and artificial intelligence culture at diplomatic posts globally, including data fluency and data collaboration.

(B) Promoting data integration with Department of State Headquarters.

(C) Creating operational efficiencies, supporting innovation, and enhancing mission impact.

(b) IMPLEMENTATION PLAN.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the appropriate congressional committees an implementation plan that outlines strategies for—

(A) advancing the goals described in subsection (a)(2);

(B) hiring data and artificial intelligence officers at United States diplomatic posts; and

(C) allocation of necessary resources to sustain the Program.

(2) ANNUAL REPORTING REQUIREMENT.—Not later than 180 days after the date of the enactment of this Act, and annually thereafter for the following 3 years, the Secretary shall submit a report to the appropriate congressional committees regarding the status of the implementation plan required under paragraph (1).

SEC. 5303. AUTHORIZATION TO USE COMMERCIAL CLOUD ENCLAVES OVERSEAS.

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Department of State shall issue internal guidelines that authorize and track the use of enclaves deployed in overseas commercial cloud regions for OCONUS systems categorized at the Federal Information Security Modernization Act (FISMA) high baseline.

(b) CONSISTENCY WITH FEDERAL CYBERSECURITY REGULATIONS.—The enclave deployments shall be consistent with existing Federal cybersecurity regulations as well as best practices established across National Institute of Standards and Technology standards and ISO 27000 security controls.

(c) BRIEFING.—Not later than 90 days after the enactment of the Act, and before issuing the new internal guidelines required under subsection (a), the Secretary shall brief the appropriate committees of Congress on the proposed new guidelines, including—

(1) relevant risk assessments; and

(2) any security challenges regarding implementation.

(d) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term “appropriate committees of Congress” means—

(1) the Committee on Foreign Relations and the Select Committee on Intelligence of the Senate;

(2) and the Committee on Foreign Affairs and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 5304. REPORTS ON TECHNOLOGY TRANSFORMATION PROJECTS AT THE DEPARTMENT OF STATE.

(a) DEFINITIONS.—In this section:

(1) APPROPRIATE COMMITTEES OF CONGRESS.—The term “appropriate committees of Congress” means—

(A) the Committee on Foreign Relations of the Senate;

(B) the Committee on Appropriations of the Senate;

(C) the Committee on Foreign Affairs of the House of Representatives; and

(D) the Committee on Appropriations of the House of Representatives.

(2) TECHNOLOGY.—The term “technology” includes—

(A) artificial intelligence and machine learning systems;

(B) cybersecurity modernization tools or platforms;

(C) cloud computing services and infrastructure;

(D) enterprise data platforms and analytics tools;

(E) customer experience platforms for public-facing services; and

(F) internal workflow automation or modernization systems.

(3) TECHNOLOGY TRANSFORMATION PROJECT.—

(A) IN GENERAL.—The term “technology transformation project” means any new or significantly modified technology deployed by the Department with the purpose of improving diplomatic, consular, administrative, or security operations.

(B) EXCLUSIONS.—The term “technology transformation project” does not include a routine software update or version upgrade, a security patch or maintenance of an existing system, a minor configuration change, a business-as-usual information technology operation, a support activity, or a project that costs less than \$1,000,000.

(b) ANNUAL REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, and annually thereafter for 5 years, the Secretary shall submit to the appropriate committees of Congress a report on all technology transformation projects completed during the preceding two fiscal years.

(2) ELEMENTS.—Each report required by paragraph (1) shall include the following elements:

(A) For each project, the following:

(i) A summary of the objective, scope, and operational context of the project.

(ii) An identification of the primary technologies and vendors used, including artificial intelligence models, cloud providers, cybersecurity platforms, and major software components.

(iii) A report on baseline and post-implementation performance and adoption metrics for the project, including (if applicable) with respect to—

(I) operational efficiency, such as reductions in processing time, staff hours, or error rates;

(II) user impact, such as improvements in end-user satisfaction scores and reliability;

(III) security posture, such as enhancements in threat detection, incident response time;

(IV) cost performance, including budgeted costs versus actual costs and projected cost savings or cost avoidance;

(V) interoperability and integration, including level of integration achieved with existing systems of the Department of State;

(VI) artificial intelligence (if applicable); and

(VII) adoption, including, if applicable—

(aa) an estimate of the percentage of eligible end-users actively using the system within the first 3, 6, and 12 months of deployment;

(bb) the proportion of staff trained to use the system;

(cc) the frequency and duration of use, disaggregated by bureau or geographic region if relevant;

(dd) summarized user feedback, including pain points and satisfaction ratings; and

(ee) a description of the status of deprecation or reduction in use of legacy systems, if applicable.

(iv) A description of key challenges encountered during implementation and any mitigation strategies employed.

(v) A summary of contracting or acquisition strategies used, including information on how the vendor or development team supported change management and adoption, including user testing, stakeholder engagement, and phased rollout.

(B) For any project where adoption metrics fell below 50 percent of estimated usage within 6 months of launch:

(i) A remediation plan with specific steps to improve adoption, including retraining, user experience improvements, or outreach.

(ii) An assessment of whether rollout should be paused or modified.

(iii) Any plans for iterative development based on feedback from employees.

(3) PUBLIC SUMMARY.—Not later than 60 days after submitting a report required by paragraph (1) to the appropriate committees of Congress, the Secretary of State shall publish an unclassified summary of the report on the publicly accessible website of the Department of State, consistent with national security interests.

(c) GOVERNMENT ACCOUNTABILITY OFFICE EVALUATION.—Not later than 18 months after the date of the enactment of this Act, and biennially thereafter, the Comptroller General of the United States shall submit to the appropriate committees of Congress a report—

(1) evaluating—

(A) the extent to which the Department has implemented and reported on technology transformation projects in accordance with the requirements under this section;

(B) the effectiveness and reliability of the Department’s performance and adoption metrics for such projects;

(C) whether such projects have met intended goals related to operational efficiency, security, cost-effectiveness, user adoption, and modernization of legacy systems; and

(D) the adequacy of oversight mechanisms in place to ensure the responsible deployment of artificial intelligence and other emerging technologies; and

(2) including any recommendations to improve the Department’s management, implementation, or evaluation of technology transformation efforts.

SEC. 5305. COMMERCIAL SPYWARE.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) there is a national security need for the legitimate and responsible procurement and application of cyber intrusion capabilities, including efforts related to counterterrorism, counternarcotics, and countertrafficking;

(2) the growing commercial market for sophisticated cyber intrusion capabilities has enhanced state and non-state actors’ abilities to target and track for nefarious purposes individuals, such as journalists, human rights defenders, members of civil society groups, members of ethnic or religious minority groups, and others for exercising their human rights and fundamental freedoms, or the family members of these targeted individuals;

(3) the proliferation of commercial spyware presents significant and growing risks to United States national security, including to the safety and security of United States Government personnel; and

(4) ease of access into and lack of transparency in the commercial spyware market raises the probability of spreading potentially destructive or disruptive cyber capabilities to a wider range of malicious actors.

(b) STATEMENT OF POLICY.—It is the policy of the United States—

(1) to oppose the misuse of commercial spyware to target individuals, including

journalists, defenders of internationally recognized human rights, and members of civil society groups, members of ethnic or religious minority groups, and others for exercising their internationally recognized human rights and fundamental freedoms, or the family members of these targeted individuals;

(2) to coordinate with allies and partners to prevent the export of commercial spyware tools to end-users likely to use them for malicious activities;

(3) to maintain robust information-sharing with trusted allies and partners on commercial spyware proliferation and misuse, including to better identify and track these tools; and

(4) to work with private industry to identify and counter the abuse and misuse of commercial spyware technology; and

(5) to work with allies and partners to establish robust guardrails to ensure that the use of commercial spyware tools are consistent with respect for internationally recognized human rights, and the rule of law.

SEC. 5306. REVIEW OF SCIENCE AND TECHNOLOGY AGREEMENT WITH THE PEOPLE'S REPUBLIC OF CHINA.

(a) **SECURITY REVIEW.**—Not later than 90 days after the date of the enactment of this Act, the Secretary, in coordination with relevant Federal science agencies and the intelligence community, shall conduct a security review of the United States-China Science and Technology Cooperation Agreement (STA). The review shall include the following elements:

(1) An assessment of the potential risks of maintaining the STA, including the transfer under such agreement of technology or intellectual property capable of harming the national security interests of the United States.

(2) An assessment of the Secretary of State's ability to monitor compliance of the People's Republic of China's commitments established under the STA.

(3) An evaluation of the benefits of the STA agreement to the economy, military, and industrial base of the People's Republic of China and the United States.

(4) An evaluation of the value of the information and data the United States Government receives under the STA related to the People's Republic of China that the United States otherwise would not have access to should it withdraw its participation in the STA.

(b) **REPORT.**—Not later than 30 days after completion of the review of the STA required in subsection (a), the Secretary shall submit to the appropriate committees of Congress a report detailing the findings of the review. The report shall be submitted in unclassified form, but may include a classified annex.

(c) **CERTIFICATION.**—Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall certify to the appropriate committees of Congress whether it is in the national security interest of the United States to maintain its participation in the STA through its current duration.

(d) **GUIDANCE.**—If Secretary certifies that it is no longer in the national security interest of the United States to maintain its participation in the STA, the Secretary shall, not later than 90 days after submitting the certification, and in coordination with the heads of relevant Federal agencies, promulgate guidance on United States Federal agency interactions with counterpart agencies in the People's Republic of China.

(e) **DEFINITIONS.**—In this section:

(1) **APPROPRIATE COMMITTEES OF CONGRESS.**—The term “appropriate committees of Congress” means—

(A) the Committee on Foreign Relations, the Committee on Commerce, Science of

Technology, and the Committee on Judiciary of the Senate; and

(B) the Committee on Foreign Affairs, the Committee on Energy and Commerce, and the Committee on Judiciary of the House of Representatives.

(2) **INTELLIGENCE COMMUNITY.**—The term “intelligence community” has the meaning given such term in section 3 of the National Security Act of 1947 (50 U.S.C. 3003).

(3) **STA.**—The term “STA” means the Agreement between the Government of the United States of America and the Government of the People's Republic of China on Cooperation in Science and Technology, signed at Washington January 31, 1979, its protocols, and any implementing agreements entered into pursuant to such Agreement on or before the date of the enactment of this Act.

TITLE LXIV—PUBLIC DIPLOMACY

SEC. 5401. FOREIGN INFORMATION MANIPULATION AND INTERFERENCE STRATEGY.

(a) **IN GENERAL.**—Not later than 90 days after the date of the enactment of this Act, the Secretary, in consultation with other relevant agencies, shall submit to the appropriate congressional committees a comprehensive strategy to combat foreign information manipulation and interference, which shall be carried out by the Department.

(b) **ELEMENTS.**—The strategy required under subsection (a) shall include the following elements:

(1) Conducting analysis of foreign state and non-state actors' foreign malign influence narratives, tactics, and techniques, including those originating from United States national-state adversaries, including the Russian Federation, the People's Republic of China, North Korea, and Iran.

(2) Working together with allies and partners to expose and counter foreign malign influence narratives, tactics, and techniques, including those originating in the Russian Federation, the People's Republic of China, North Korea, and Iran.

(3) Supporting non-state actors abroad, including independent media and civil society groups, which are working to expose and counter foreign malign influence narratives, tactics, and techniques, including those originating in the Russian Federation, the People's Republic of China, North Korea, or Iran.

(4) Coordinating efforts to expose and counter foreign information manipulation and interference across Federal departments and agencies.

(5) Protecting the First Amendment rights of United States citizens.

(6) Creating guardrails to ensure the Department of State does not provide grants to organizations engaging in partisan political activity in the United States.

(c) **COORDINATION.**—The strategy required under subsection (a) shall be led and implemented by the Under Secretary for Public Diplomacy and Public Affairs in coordination with relevant bureaus and offices at the Department of State.

(d) **REPORT.**—Not later than 30 days after the enactment of this Act, the Secretary shall submit to the appropriate congressional committees a report that includes—

(1) actions the Department has taken to preserve the institutional capability to counter foreign nation-state influence operations from the People's Republic of China, Iran, and the Russian Federation since the termination of the Counter Foreign Information Manipulation and Interference (R/FIMI) hub;

(2) a list of active and cancelled Countering PRC Influence Fund (CPIF) and Coun-

tering Russian Influence Fund (CRIF) projects since January 21, 2025;

(3) actions the Department has taken to improve Department grantmaking processes related to countering foreign influence operations from nation-state adversaries; and

(4) an assessment of recent foreign adversarial information operations and narratives related to United States foreign policy since January 21, 2025, from the People's Republic of China, Iran, and the Russian Federation.

SEC. 5402. LIFTING THE PROHIBITION ON USE OF FEDERAL FUNDS FOR WORLD'S FAIR PAVILIONS AND EXHIBITS.

Section 204 of the Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001 (22 U.S.C. 2452b) is hereby repealed.

TITLE LXV—DIPLOMATIC SECURITY AND CONSULAR AFFAIRS

SEC. 5501. REPORT CONCERNING DEPARTMENT OF STATE CONSULAR OFFICERS JOINING COAST GUARD AND NAVY MISSIONS TO PACIFIC ISLAND COUNTRIES.

(a) **SENSE OF CONGRESS.**—It is the sense of Congress that—

(1) Pacific island countries, especially, but not limited to, the Freely Associated States, include close United States partners located across highly strategic waters critical for United States national security; and

(2) it is in the national security interests of the United States to maintain and strengthen relations with the governments and the citizens of Pacific island countries.

(b) **REPORT.**—

(1) **IN GENERAL.**—Not later than 120 days after the date of the enactment of this Act, the Secretary, in coordination with the Commandant of the United States Coast Guard, the Commander of United States Indo-Pacific Command, and the Chief of Naval Operations, shall submit to the appropriate committees of Congress a report analyzing the feasibility of attaching Department of State consular officers to Coast Guard and Navy missions in the Pacific Island countries.

(2) **ELEMENTS.**—The report required under paragraph (1) shall include—

(A) an assessment of the current demand for consular services from citizens of Pacific Island countries and challenges that these citizens face in obtaining services;

(B) an assessment of the approximate value, including in time and resources saved, such an initiative could save citizens of Pacific Island countries that do not host United States embassies to have their United States visas adjudicated or to receive other services;

(C) an assessment of the cost for the Department of State, United States Coast Guard, United States Indo-Pacific Command, and United States Navy, including potential alternative cost-effective options and recommendations for providing consular services to Pacific Island countries;

(D) an assessment of the frequency and duration of United States Coast Guard and United States Navy deployments to Pacific Island countries, including—

(i) deployment frequency measured against desired number of visits;

(ii) amount of time typically spent in port for such visits; and

(iii) disruption to planned United States Coast Guard and United States Navy missions in order to visit locations needing consular assistance; and

(E) an evaluation of the logistical issues to be addressed including, including—

(i) analysis of spacing requirements to host Department of State personnel and equipment aboard United States Coast Guard and United States Navy vessels;

(ii) analysis of the information technology and connectivity requirements to conduct consular affairs activities;

(iii) the feasibility of printing visas aboard United States Coast Guard and United States Navy vessels;

(iv) maintaining physical security of consular officers and relevant adjudication equipment, including computer systems and visa foils, during such missions;

(v) impacts to United States Coast Guard and United States Navy vessels' operations and security; and

(vi) the estimated amount of time that consular officers would spend on board United States Coast Guard and United States Navy vessels between visits to Pacific Island countries.

(3) **APPROPRIATE COMMITTEES OF CONGRESS DEFINED.**—In this subsection, the term “appropriate committees of Congress” means—

(A) the Committee on Foreign Relations, the Committee on Appropriations, the Committee on Armed Services, the Committee on Commerce, Science, and Transportation, and the Committee on Judiciary of the Senate; and

(B) the Committee on Foreign Affairs, the Committee on Appropriations, the Committee on Armed Services, the Committee on Energy and Commerce, and the Committee on Judiciary of the House of Representatives.

SEC. 5502. REPORT ON SECURITY CONDITIONS IN DAMASCUS, SYRIA, REQUIRED FOR THE REOPENING OF THE UNITED STATES DIPLOMATIC MISSION.

(a) **FINDINGS.**—Congress makes the following findings:

(1) The United States has a national security interest in a stable Syria free from the malign influence of Russia and Iran, and which cannot be used by terrorist organizations to launch attacks against the United States or United States allies or partners in the region.

(2) Permissive security conditions are necessary for the reopening of any diplomatic mission.

(b) **REPORT TO CONGRESS.**—

(1) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this Act, the Secretary, in consultation with the relevant Federal agencies, shall submit to the appropriate committees of Congress a report describing the Syrian government's progress towards meeting the security related benchmarks described in paragraph (2).

(2) **ELEMENTS.**—The report required under paragraph (1) shall include the following elements:

(A) An assessment of the Syrian government's progress on counterterrorism especially as it relates to United States designated terrorist organizations that threaten to attack the United States or our allies and partners.

(B) An assessment of the security environment of the potential sites for a future building of the United States Embassy in Damascus and the conditions necessary for resuming embassy operations in Damascus.

(C) An analysis of the Syrian government's progress in identifying and destroying any remnants of the Assad regime's chemical weapons program, including any stockpiles, production facilities, or related sites.

(D) An assessment of the Syrian government's destruction of the Assad regime's captagon and other illicit drug stockpiles, to include infrastructure.

(E) An assessment of the Syrian government's relationship with the Russian Federation and the Islamic Republic of Iran, to include access, basing, overflight, economic relationships, and impacts on United States national security objectives.

(F) A description of the Syrian government's cooperation with the United States to locate and repatriate United States citizens.

(c) **APPROPRIATE COMMITTEES OF CONGRESS DEFINED.**—In this section, the term “appropriate committees of Congress” means—

(1) the Committee on Foreign Relations, the Committee on Armed Services, and the Select Committee on Intelligence of the Senate;

(2) and the Committee on Foreign Affairs, the Committee on Armed Services, and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 5503. EMBASSIES, CONSULATES, AND OTHER DIPLOMATIC INSTALLATIONS RETURN TO STANDARDS REPORT.

(a) **IN GENERAL.**—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit a report to the appropriate committees of Congress that includes the impacts of the Bureau of Diplomatic Security's initiative known as “Return to Standards” on the security needs of United States embassies, consulates, and other diplomatic installations outside the United States.

(b) **ELEMENTS.**—The report required under subsection (a) shall describe the impacts of the Return to Standards initiative and other reductions in staffing and resources from the beginning of the initiative to the date of enactment of this Act for all embassies, consulates, and other overseas diplomatic installations, including detailed descriptions and explanations of all reductions of personnel or other resources, including their effects on—

(1) securing facilities and perimeters;

(2) transporting United States personnel into the foreign country; and

(3) executing any other relevant operations for which they are responsible.

(c) **APPROPRIATE COMMITTEES OF CONGRESS DEFINED.**—In this section, the term “appropriate committees of Congress” means—

(1) the Committee on Foreign Relations and the Select Committee on Intelligence of the Senate;

(2) and the Committee on Foreign Affairs and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 5504. VISA OPERATIONS REPORT.

(a) **IN GENERAL.**—Not later than 90 days after the date of the enactment of the Act, the Secretary shall submit to the appropriate committees of Congress a report on visa processing.

(b) **ELEMENTS.**—The report required under subsection (a) shall address—

(1) the status of visa backlogs and wait times, including internal and external recommendations to streamline and improve consular processes, as required by the joint exploratory statement for the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2024 (division F of Public Law 118-47), including the rationale and justification for the implementation of each such recommendation;

(2) the impact of reductions in force on improvement of the overall efficiency of consular operations, processing time, and customer experience for applicants;

(3) the extent to which non-consular Department personnel have been used to improve the overall efficiency of consular operations, processing time, and customer experience for applicants during periods of high demand;

(4) the viability of temporarily assigning non-consular Department personnel during periods of high demand; and

(5) in consultation with any other appropriate Department, an evaluation of the impact of the visa backlogs on the United

States tourism industry and recommendations for how to remediate those impacts.

(c) **APPROPRIATE COMMITTEES OF CONGRESS DEFINED.**—In this subsection, the term “appropriate committees of Congress” means—

(1) the Committee on Foreign Relations and the Committee on Judiciary of the Senate; and

(2) the Committee on Foreign Affairs and the Committee on Judiciary of the House of Representatives.

SEC. 5505. REAUTHORIZATION OF OVERTIME PAY FOR PROTECTIVE SERVICES.

Section 6232(g) of the Department of State Authorization Act of 2023 (division F of Public Law 118-31; 5 U.S.C. 5547 note) is amended by striking “2025” and inserting “2027”.

TITLE LXVI—MISCELLANEOUS

SEC. 5551. SUBMISSION OF FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTER REPORTS TO CONGRESS.

Not later than 30 days after receiving a report or other written product provided to the Department by federally funded research and development centers (FFRDCs) and consultant groups that were supported by funds congressionally appropriated to the Department, the Secretary shall provide the appropriate committees the report or written product, including the original proposal for the report, the amount provided by the Department to the FFRDC, and a detailed description of the value the Department derived from the report.

SEC. 5552. QUARTERLY REPORT ON DIPLOMATIC POUCH ACCESS.

Not later than 30 days after the date of the enactment of this Act, and every 90 days thereafter for the next 3 years, the Secretary shall submit a report to the appropriate congressional committees that describes—

(1) a list of every overseas United States diplomatic post where diplomatic pouch access is restricted or limited by the host government;

(2) an explanation as to why, in each instance where an overseas United States diplomatic post is restricted or limited by the host government, the host government has failed to do so; and

(3) a detailed explanation outlining the steps the Department is taking to gain diplomatic pouch access in each instance where such access has been restricted or limited by the host government.

SEC. 5553. REPORT ON UTILITY OF INSTITUTING A PROCESSING FEE FOR ITAR LICENSE APPLICATIONS.

Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to the appropriate congressional committees a report on the feasibility and effect of establishing an export licensing fee system for the commercial export of defense items and services to partially or fully finance the licensing costs of the Department, if permitted by statute. The report should consider whether and to what degree such an export license application fee system would be preferable to relying solely on the existing registration fee system and the feasibility of a tiered system of fees, considering such options as volume per applicant over time and discounted fees for small businesses.

SEC. 5554. HAVANA ACT PAYMENT FIX.

Section 901 of title IX of division J of the Further Consolidated Appropriations Act, 2020 (22 U.S.C. 2680b) is amended—

(1) by striking “January 1, 2016” each place it appears and inserting “September 11, 2001”; and

(2) in subsection (e)(1), in the matter preceding subparagraph (A), by striking “of a” and inserting “of an”.

(3) in subsection (h), by adding at the end the following new paragraph:

“(4) LIMITATIONS.—

“(A) APPROPRIATIONS REQUIRED.—Payments under subsections (a) and (b) in a fiscal year may only be made using amounts appropriated in advance specifically for payments under such paragraph in such fiscal year.

“(B) MATTER OF PAYMENTS.—Payments under subsections (a) and (b) using amounts appropriated for such purpose shall be made on a first come, first serve, or pro rata basis.

“(C) AMOUNTS OF PAYMENTS.—The total amount of funding obligated for payments under subsections (a) and (b) may not exceed the amount specifically appropriated for providing payments under such paragraph during its period of availability.”.

SEC. 5555. ESTABLISHING AN INNER MONGOLIA SECTION WITHIN THE UNITED STATES EMBASSY IN BEIJING.

(a) INNER MONGOLIA SECTION IN UNITED STATES EMBASSY IN BEIJING, CHINA.—

(1) IN GENERAL.—The Secretary should consider establishing an Inner Mongolian team within the United States Embassy in Beijing, China, to follow political, economic, and social developments in the Inner Mongolia Autonomous Region and other areas designated by the People's Republic of China as autonomous for Mongolians, with due consideration given to hiring Southern Mongolians as Locally Employed Staff.

(2) RESPONSIBILITIES.—Responsibilities of a team devoted to Inner Mongolia should include reporting on internationally recognized human rights issues, monitoring developments in critical minerals mining, environmental degradation, and PRC space capabilities, and access to areas designated as autonomous for Mongolians by United States Government officials, journalists, nongovernmental organizations, and the Southern Mongolian diaspora.

(3) LANGUAGE REQUIREMENTS.—The Secretary should ensure that the Department of State has sufficient proficiency in Mongolian language in order to carry out paragraph (1), and that the United States Embassy in Beijing, China, has sufficient resources to hire Local Employed Staff proficient in the Mongolian language, as appropriate.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the appropriate congressional committees a report on the staffing described in subsection (a).

SEC. 5556. REPORT ON UNITED STATES MISSION AUSTRALIA STAFFING.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) Australia is one of the closest allies of the United States and integral to United States national security interests in the Indo-Pacific;

(2) the United States-Australia alliance has seen tremendous growth, including through AUKUS, as part of which, the United States plans to rotate up to four Virginia-class attack submarines out of the Australian port of Perth by 2027; and

(3) current United States staffing and facilities across United States Mission Australia do not appear adequately resourced to support an expanding mission set and are no longer commensurate with strategic developments, as the United States will need to station many more United States civilian and military personnel in western Australia to support the maintenance and supply of these vessels.

(b) REPORT.—

(1) IN GENERAL.—Not later than 90 days after the enactment of this Act, the Secretary shall submit to the appropriate committees of Congress a report regarding staffing and facility requirements at United States Mission Australia.

(2) CONTENTS.—The report required under paragraph (1) shall include—

(A) an assessment of how many United States civilian and military personnel and their dependents the Department of State expects in the Perth area and across Australia in the next two years;

(B) an assessment of what requirements those United States personnel will have, including housing, schooling, and office space;

(C) a description of how many United States personnel are currently working in the United States Consulate in Perth and their roles;

(D) information regarding the Department of State's actions to transfer United States personnel from elsewhere within Mission Australia to increase staffing in Perth and the tradeoffs of such personnel moves;

(E) a status update on the interagency process begun in 2024 to assess the needs of Mission Australia;

(F) an assessment of the impact of the Department of State reorganization and workforce reduction on the staffing contemplated by that process; and

(G) an estimated total cost of expanding Perth staffing to sufficiently serve the increased presence of United States personnel in the area and to achieve any other United States foreign policy objectives.

(c) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term “appropriate committees of Congress” means—

(1) the Committee on Foreign Relations of the Senate;

(2) the Committee on Appropriations of the Senate;

(3) the Committee on Foreign Affairs of the House of Representatives; and

(4) the Committee on Appropriations of the House of Representatives.

SEC. 5557. FACILITATING REGULATORY EXCHANGES WITH ALLIES AND PARTNERS.

(a) IN GENERAL.—The Secretary, in coordination with the heads of other relevant Federal departments and agencies, should establish and develop a voluntary program to facilitate and encourage regular dialogues between interested United States Government regulatory and technical agencies and their counterpart organizations in allied and partner countries, both bilaterally and in relevant multilateral institutions and organizations—

(1) to promote best practices in regulatory formation and implementation;

(2) to collaborate to achieve optimal regulatory outcomes based on scientific, technical, and other relevant principles;

(3) to seek better harmonization and alignment of regulations and regulatory practices; and

(4) to build consensus around industry and technical standards in emerging sectors that will drive future global economic growth and commerce.

(b) PRIORITIZATION OF ACTIVITIES.—In facilitating expert exchanges under subsection (a), the Secretary should prioritize—

(1) bilateral coordination and collaboration with countries where greater regulatory coherence, harmonization of standards, or communication and dialogue between technical agencies is achievable and best advances the economic and national security interests of the United States;

(2) multilateral coordination and collaboration where greater regulatory coherence, harmonization of standards, or dialogue on other relevant regulatory matters is achievable and best advances the economic and national security interests of the United States, including with the members of—

(A) the European Union;

(B) the Asia-Pacific Economic Cooperation;

(C) the Association of Southeast Asian Nations (ASEAN);

(D) the Organization for Economic Cooperation and Development (OECD);

(E) the Pacific Alliance; and

(F) multilateral development banks; and

(3) regulatory practices and standards-setting bodies focused on key economic sectors and emerging technologies.

(c) PARTICIPATION BY NONGOVERNMENTAL ENTITIES.—With regard to the program described in subsection (a), the Secretary may facilitate the participation of relevant organizations and individuals with relevant expertise, as appropriate and to the extent that such participation advances the goals of such program.

(d) RULE OF CONSTRUCTION.—The authorities provided by this section are intended solely to provide United States embassy and related Department support for dialogues which may occur outside the United States, on a strictly voluntary basis and as agreed to by the relevant United States Federal department or agency with their foreign counterparts, and are not intended to obligate in any way the participation of any other Federal department or agency in such dialogues.

SEC. 5558. PILOT PROGRAM TO AUDIT BARRIERS TO COMMERCE IN DEVELOPING PARTNER COUNTRIES.

(a) ESTABLISHMENT.—The Secretary, in coordination with relevant Federal departments and agencies as determined by the Secretary, is authorized to establish a pilot program—

(1) to identify and evaluate barriers to commerce in developing countries that are allies and partners of the United States; and

(2) to provide assistance to promote economic development and commerce to those countries.

(b) PURPOSES.—Under the pilot program established under subsection (a), the Secretary shall, in partnership with the countries selected under subsection (c)(1)—

(1) seek to identify possible barriers in those countries that limit international commerce with the goal of setting priorities for the efficient use of United States economic assistance;

(2) focus relevant United States economic assistance on building self-sustaining institutional capacity for expanding commerce with those countries, consistent with their international obligations and commitments; and

(3) further the national interests of the United States by—

(A) expanding prosperity through the elimination of foreign barriers to commercial exchange;

(B) assisting such countries to identify and reduce commercial restrictions, including through the deployment of targeted foreign assistance, as appropriate, to increase international commerce and investment;

(C) assisting each selected country in undertaking reforms that will promote economic growth, and promote conditions favorable for business and commercial development and job growth in the country; and

(D) assisting, as appropriate, private sector entities in those countries to engage in reform efforts and enhance productive global supply chain partnerships with the United States and allies and partners of the United States.

(c) SELECTION OF COUNTRIES.—

(1) IN GENERAL.—The Secretary shall select countries for participation in the pilot program established under subsection (a) from among developing countries—

(A) that are allies and partners of the United States;

(B) the governments of which have clearly demonstrated a willingness to make appropriate legal, policy, and regulatory reforms

that may stimulate economic growth and job creation, consistent with international trade rules and practices; and

(C) that meet such additional criteria as may be established by the Secretary, in consultation with, as appropriate, the heads of other Federal departments and agencies as determined by the Secretary.

(2) CONSIDERATIONS FOR ADDITIONAL CRITERIA.—In establishing additional criteria under paragraph (1)(C), the Secretary shall—

(A) identify and address structural weaknesses, systemic flaws, or other impediments within countries that may be considered for participation in the pilot program under subsection (a) that impact the effectiveness of United States assistance to and make recommendations for addressing those weaknesses, flaws, and impediments;

(B) set priorities for commercial development assistance that focus resources on countries where the provision of such assistance can deliver the best value in identifying and eliminating commercial barriers; and

(C) developing appropriate performance measures and establishing annual targets to monitor and assess progress toward achieving those targets, including measures to be used to terminate the provision of assistance determined to be ineffective.

(3) NUMBER AND DEADLINE FOR SELECTIONS.—

(A) IN GENERAL.—Not later than 270 days after the date of the enactment of this Act, and annually thereafter for 3 years, the Secretary should select countries for participation in the pilot program.

(B) NUMBER.—The Secretary should select for participation in the pilot program under subsection (a) not fewer than 3 countries during the 1-year period beginning on the date of the enactment of this Act.

(4) PRIORITIZATION BASED ON RECOMMENDATIONS FROM CHIEFS OF MISSION.—In selecting countries under paragraph (1) for participation in the pilot program under subsection (a), the Secretary shall prioritize—

(A) countries recommended by chiefs of mission—

(i) that will be able to substantially benefit from expanded commercial development assistance; and

(ii) the governments of which have demonstrated the political will to effectively and sustainably implement such assistance; or

(B) groups of countries, including groups of geographically contiguous countries, including as recommended by chiefs of mission, that meet the criteria under subparagraph (A) and as a result of expanded United States commercial development assistance, will contribute to greater intra-regional commerce or regional economic integration.

(d) PLANS OF ACTION.—

(1) IN GENERAL.—The Secretary shall lead in engaging relevant officials of each country selected under subsection (c)(1) to participate in the pilot program under subsection (a) with respect to the development of a plan of action to identify and evaluate barriers to economic and commercial development that then informs United States assistance.

(2) ANALYSIS REQUIRED.—The development of a plan of action under paragraph (1) shall include a comprehensive analysis of relevant legal, policy, and regulatory constraints to economic and job growth in that country.

(3) ELEMENTS.—A plan of action developed under paragraph (1) for a country shall include the following:

(A) Priorities for reform.

(B) Clearly defined policy responses, including regulatory and legal reforms, as necessary, to achieve improvement in the business and commercial environment in the country.

(C) Identification of the anticipated costs to establish and implement the plan.

(D) Identification of appropriate sequencing and phasing of implementation of the plan to create cumulative benefits, as appropriate.

(E) Identification of best practices and standards.

(F) Considerations with respect to how to make the policy reform investments under the plan long-lasting.

(G) Appropriate consultation with affected stakeholders in that country and in the United States.

(e) TERMINATION.—The pilot program established under subsection (a) shall terminate on the date that is 8 years after the date of the enactment of this Act.

SEC. 5559. STRATEGY FOR PROMOTING SUPPLY CHAIN DIVERSIFICATION.

(a) STRATEGY.—The Secretary, in consultation with the Secretary of Commerce and the heads of other relevant Federal departments and agencies, as determined by the Secretary, shall develop, implement, and submit to the appropriate congressional committees a diplomatic strategy to support efforts to increase supply chain resiliency and security by promoting and strengthening efforts to incentivize the relocation of supply chains from the People's Republic of China.

(b) ELEMENTS.—The strategy required under subsection (a) shall—

(1) be informed by consultations with the governments of allies and partners of the United States;

(2) provide a description of how supply chain diversification can be pursued in a complementary fashion to strengthen the national interests of the United States;

(3) include an assessment of—

(A) the status and effectiveness of current efforts by governments, multilateral development banks, and the private sector to attract investment by private entities who are seeking to diversify from reliance on the People's Republic of China;

(B) major challenges hindering those efforts; and

(C) how the United States can strengthen the effectiveness of those efforts;

(4) identify United States allies and partners with comparative advantages for sourcing and manufacturing critical goods and countries with the greatest opportunities and alignment with United States values;

(5) identify how activities by the International Trade Administration and other relevant Federal agencies, as determined by the Secretary, can effectively be leveraged to strengthen and promote supply chain diversification, including nearshoring to Latin America and the Caribbean as appropriate;

(6) advance diplomatic initiatives to secure specific national commitments by governments in Latin America and the Caribbean to undertake efforts to create favorable conditions for nearshoring in the region, including commitments—

(A) to develop formalized national strategies to attract investment from the United States;

(B) to address corruption and rule of law concerns;

(C) to modernize digital and physical infrastructure of these nations;

(D) to improve ease of doing business; and

(E) to finance and incentivize nearshoring initiatives that transfer supply chains from the People's Republic of China to the nations of the Americas;

(7) advance, in coordination with the National Institute of Standards [and] Technology, diplomatic initiatives towards mutually beneficial dialogues on standards and regulations; and

(8) in coordination with the International Trade Administration, develop and implement assistance programs to finance, incentivize, or otherwise promote supply chain diversification in accordance with the assessments and identifications made pursuant to paragraphs (3), (4), and (5), including, at minimum, programs—

(A) to help develop physical and digital infrastructure;

(B) to promote transparency in procurement processes;

(C) to provide technical assistance in implementing national nearshoring strategies;

(D) to help mobilize private investment; and

(E) to pursue commitments by private sector entities to relocate supply chains from the People's Republic of China.

(c) COORDINATION WITH MULTILATERAL DEVELOPMENT BANKS.—In implementing the strategy required under subsection (a), the Secretary of State and the heads of other relevant Federal departments and agencies, as determined by the Secretary, should, as appropriate, cooperate with the World Bank Group and the regional development banks through the Secretary of the Treasury.

(d) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this subsection, the term “appropriate committees of Congress” means—

(1) the Committee on Foreign Relations, the Committee on Commerce, Science, and Transportation, and the Select Committee on Intelligence of the Senate; and

(2) the Committee on Foreign Affairs, the Committee on Energy and Commerce, and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 5560. EXTENSIONS.

(a) SUPPORT TO ENHANCE THE CAPACITY OF INTERNATIONAL MONETARY FUND MEMBERS TO EVALUATE THE LEGAL AND FINANCIAL TERMS OF SOVEREIGN DEBT CONTRACTS.—Title XVI of the International Financial Institutions Act (22 U.S.C. 262p et seq.) is amended in section 1630(c) by striking “5-year period” and inserting “10-year period”.

(b) INSPECTOR GENERAL ANNUITANT WAIVER.—The authorities provided under section 1015(b) of the Supplemental Appropriations Act, 2010 (Public Law 111–212; 124 Stat. 2332) shall remain in effect through September 30, 2031.

(c) EXTENSION OF AUTHORIZATIONS TO SUPPORT UNITED STATES PARTICIPATION IN INTERNATIONAL FAIRS AND EXPOS.—Section 9601(b) of the Department of State Authorizations Act of 2022 (division I of Public Law 117–263; 136 Stat. 3909) is amended by striking “fiscal years 2023 and 2024” and inserting “fiscal years 2023, 2024, 2025, 2026, 2027, and 2028”.

SEC. 5561. PERMITTING FOR INTERNATIONAL BRIDGES AND LAND PORTS OF ENTRY.

Section 6 of the International Bridge Act of 1972 (33 U.S.C. 535d) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking “December 31, 2024,” and inserting “December 31, 2035.”; and

(ii) by striking subparagraphs (A), (B), and (C), and inserting the following:

“(A) An international bridge between the United States and Mexico.

“(B) An international bridge between the United States and Canada.

“(C) A port of entry on the international land border between the United States and Mexico.

“(D) A port of entry on the international land border between the United States and Canada.”; and

(B) in paragraph (2)(A)(ii), by inserting “or land port of entry” after “international bridge”;

(2) in subsection (b), by inserting “or land port of entry” after “international bridge”;

(3) in subsection (c)(2)—

(A) by inserting “sole” before “basis”; and

(B) by inserting “or land port of entry” after “international bridge”;

(4) in subsection (e)—

(A) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting appropriately;

(B) in the matter preceding subparagraph (A) (as so redesignated), by striking “Notwithstanding” and inserting the following:

“(1) IN GENERAL.—Notwithstanding”; and

(C) by adding at the end the following:

“(2) NO COMPILATION OR CONSIDERATION OF DOCUMENTS.—The Secretary shall not compile or take into consideration any environmental document pursuant to Public Law 91-190 (42 U.S.C. 4321 et seq.) with respect to a Presidential permit for an application under subsection (b).”; and

(5) in subsection (f), by inserting “or land port of entry” after “international bridge” each place it appears.

SEC. 5562. UPDATING COUNTERTERRORISM REPORTING.

Section 140(a) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (22 U.S.C. 2656f(a)) is amended by striking “April 30” and inserting “October 31”.

SA 3792. Mr. RISCH submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle E of title XII, add the following:

SEC. 1265. OFFICE OF INSPECTOR GENERAL FOR FOREIGN ASSISTANCE UNDER STATE DEPARTMENT.

(a) PURPOSE.—The purpose of this section is to provide for the independent and objective conduct and supervision of audits and investigations relating to the programs and operations funded with amounts appropriated or otherwise made available for foreign assistance, including humanitarian assistance, foreign development assistance, and related emergency assistance.

(b) DEFINITIONS.—In this section:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” means—

(A) the Committee on Appropriations of the Senate;

(B) the Committee on Foreign Relations of the Senate;

(C) the Committee on Homeland Security and Governmental Affairs of the Senate;

(D) the Committee on Appropriations of the House of Representatives;

(E) the Committee on Foreign Affairs of the House of Representatives; and

(F) the Committee on Oversight and Government Reform of the House of Representatives.

(2) FOREIGN ASSISTANCE.—The term “foreign assistance” means amounts appropriated or otherwise made available for any fiscal year for—

(A) programs formerly administered by the United States Agency for International Development and programs currently or previously administered by the Millennium Challenge Corporation, the United States African Development Foundation, or the Inter-American Foundation;

(B) programs funded with appropriations, other than Department of Defense appropria-

tions, for foreign assistance programs administered pursuant to part I, chapters 1, 9, and 10 and part II, chapter 4 of the Foreign Assistance Act (22 U.S.C. 2151 et seq., 2292 et seq., 2293 et seq., 2346 et seq.), the Food for Peace Act (7 U.S.C. 1691 et seq.), the Millennium Challenge Act of 2003 (22 U.S.C. 7701 et seq.), the United States African Development Foundation Act (title V of Public Law 96-533; 22 U.S.C. 290h et seq.), and the Food for Progress Act of 1985 (7 U.S.C. 1736o), or successor legislation; and

(C) any other non-military foreign assistance programs including global health, development assistance, international disaster assistance, food assistance and food security, and economic support.

(c) OFFICE OF THE INSPECTOR GENERAL FOR FOREIGN ASSISTANCE.—The Office of the Inspector General for the United States Agency for International Development is hereby redesignated as the “Office of the Inspector General for Foreign Assistance”. The Office of the Inspector General for Foreign Assistance shall carry out activities in accordance with the purpose described in subsection (a).

(d) AMENDMENTS TO INSPECTOR GENERAL ACT OF 1978.—Chapter 4 of title 5, United States Code is amended—

(1) in section 401—

(A) in paragraph (1), by striking “the Agency for International Development,”; and

(B) in paragraph (3), by striking “the Administrator of the Agency for International Development,”;

(2) in section 402(a), by adding at the end the following:

“(3) DEPARTMENT OF STATE.—In the establishment of the Department of State, there is established—

“(A) an Office of Inspector General of the Department of State; and

“(B) an Office of Inspector General for Foreign Assistance.”;

(3) in section 406(f)(3), by striking “Agency for International Development,”;

(4) in section 409—

(A) in the section heading, by striking “Agency for International Development” and inserting “Inspector General for Foreign Assistance”;

(B) by amending subsection (a) to read as follows:

“(a) DEFINITION, DUTIES AND RESPONSIBILITIES OF INSPECTOR GENERAL FOR FOREIGN ASSISTANCE.—The Inspector General for Foreign Assistance shall exercise all duties and responsibilities of an Inspector General of an establishment with respect to any agency, with the exception of the Department of Defense, on all matters relating to foreign assistance including global health, development assistance, international disaster assistance, food assistance and food security, and economic support, including jurisdiction for—

“(1) all programs funded with appropriations, other than Department of Defense appropriations, for foreign assistance programs, other than Department of Defense programs, administered pursuant to part I, chapters 1, 9, and 10 and part II, chapter 4 of the Foreign Assistance Act (22 U.S.C. 2151 et seq., 2292 et seq., 2293 et seq., 2346 et seq.), the Food for Peace Act (7 U.S.C. 1691 et seq.), the Millennium Challenge Act of 2003 (22 U.S.C. 7701 et seq.), the United States African Development Foundation Act (title V of Public Law 96-533; 22 U.S.C. 290h et seq.), and the Food for Progress Act of 1985 (7 U.S.C. 1736o), or successor legislation; and

“(2) programs formerly administered by the United States Agency for International Development, and programs currently or previously administered by the Millennium Challenge Corporation, the United States Af-

rican Development Foundation, or the Inter-American Foundation.”;

(C) by redesignating subsections (b), (c), and (d) as subsections (d), (e), and (f), respectively;

(D) by inserting after subsection (a) the following:

“(b) COORDINATION OF FOREIGN ASSISTANCE OVERSIGHT.—The Inspector General for Foreign Assistance shall conduct audits, evaluations, inspections, and investigations by coordinating with the Offices of Inspectors General of the respective agencies responsible for—

“(1) all foreign assistance programs, other than Department of Defense programs, administered pursuant to part I, chapters 1, 9, and 10 and part II, chapter 4 of the Foreign Assistance Act (22 U.S.C. 2151 et seq., 2292 et seq., 2293 et seq., 2346 et seq.), the Food for Peace Act (7 U.S.C. 1691 et seq.), the Millennium Challenge Act of 2003 (22 U.S.C. 7701 et seq.), the United States African Development Foundation Act (title V of Public Law 96-533; 22 U.S.C. 290h et seq.), and the Food for Progress Act of 1985 (7 U.S.C. 1736o), or successor legislation; and

“(2) programs currently or formerly administered by the United States Agency for International Development, the Millennium Challenge Corporation, the United States African Development Foundation, or the Inter-American Foundation.

“(c) ASSISTANCE FROM FEDERAL AGENCIES.—

“(1) IN GENERAL.—Upon request of the Inspector General for Foreign Assistance for information or assistance from any department, agency, or other entity of the Federal Government, with the exception of the Department of Defense, the head of such entity shall, to the extent practicable and not in contravention of any existing law, furnish such information or assistance to the Inspector General, or an authorized designee.

“(2) REPORTING OF REFUSED ASSISTANCE.—Whenever information or assistance requested by the Inspector General is, in the judgment of the Inspector General, unreasonably refused or not provided, the Inspector General shall report the circumstances to the Secretary of State and the head of the entity concerned, as appropriate, and to the appropriate congressional committees (as defined in section 1265(b) of the National Defense Authorization Act for Fiscal Year 2026) without delay.”;

(E) in subsection (d), as redesignated, by striking “of the Agency for International Development” and inserting “for Foreign Assistance”;

(F) in subsection (e), as redesignated, by striking “Administrator of the Agency for International Development” and inserting “Secretary of State”; and

(G) in subsection (f), as redesignated, by striking “of the Agency for International Development” and inserting “for Foreign Assistance”; and

(5) in section 419(c)(3), by striking “of the United States Agency for International Development” and inserting “for Foreign Assistance”.

(e) AVAILABILITY OF PREVIOUSLY APPROPRIATED FUNDS.—Amounts otherwise available to the Office of Inspector General for the United States Agency for International Development shall remain available for the Office of the Inspector General for Foreign Assistance.

SA 3793. Mr. RISCH (for himself and Ms. CORTEZ MASTO) submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department

of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in subtitle F of title X, insert the following:

SEC. 10. HARDROCK MINING MILL SITES.

(a) **MULTIPLE MILL SITES.**—Section 2337 of the Revised Statutes (30 U.S.C. 42) is amended by adding at the end the following:

“(C) **ADDITIONAL MILL SITES.**—

“(1) **DEFINITIONS.**—In this subsection:

“(A) **MILL SITE.**—The term ‘mill site’ means a location of public land that is reasonably necessary for waste rock or tailings disposal or other operations reasonably incident to mineral development on, or production from land included in a plan of operations.

“(B) **OPERATIONS; OPERATOR.**—The terms ‘operations’ and ‘operator’ have the meanings given those terms in section 3809.5 of title 43, Code of Federal Regulations (as in effect on the date of enactment of this subsection).

“(C) **PLAN OF OPERATIONS.**—The term ‘plan of operations’ means a plan of operations that an operator must submit and the Secretary of the Interior or the Secretary of Agriculture, as applicable, must approve before an operator may begin operations, in accordance with, as applicable—

“(i) subpart 3809 of title 43, Code of Federal Regulations (or successor regulations establishing application and approval requirements); and

“(ii) part 228 of title 36, Code of Federal Regulations (or successor regulations establishing application and approval requirements).

“(D) **PUBLIC LAND.**—The term ‘public land’ means land owned by the United States that is open to location under sections 2319 through 2344 of the Revised Statutes (30 U.S.C. 22 et seq.), including—

“(i) land that is mineral-in-character (as defined in section 3830.5 of title 43, Code of Federal Regulations (as in effect on the date of enactment of this subsection));

“(ii) nonmineral land (as defined in section 3830.5 of title 43, Code of Federal Regulations (as in effect on the date of enactment of this subsection)); and

“(iii) land where the mineral character has not been determined.

“(2) **IN GENERAL.**—Notwithstanding subsections (a) and (b), where public land is needed by the proprietor of a lode or placer claim for operations in connection with any lode or placer claim within the proposed plan of operations, the proprietor may—

“(A) locate and include within the plan of operations as many mill site claims under this subsection as are reasonably necessary for its operations; and

“(B) use or occupy public land in accordance with an approved plan of operations.

“(3) **MILL SITES CONVEY NO MINERAL RIGHTS.**—A mill site under this subsection does not convey mineral rights to the locator.

“(4) **SIZE OF MILL SITES.**—A location of a single mill site under this subsection shall not exceed 5 acres.

“(5) **MILL SITE AND LODE OR PLACER CLAIMS ON SAME TRACTS OF PUBLIC LAND.**—A mill site may be located under this subsection on a tract of public land on which the claimant or operator maintains a previously located lode or placer claim.

“(6) **EFFECT ON MINING CLAIMS.**—The location of a mill site under this subsection shall not affect the validity of any lode or placer claim, or any rights associated with such a claim.

“(7) **PATENTING.**—A mill site under this section shall not be eligible for patenting.

“(8) **SAVINGS PROVISIONS.**—Nothing in this subsection—

“(A) diminishes any right (including a right of entry, use, or occupancy) of a claimant;

“(B) creates or increases any right (including a right of exploration, entry, use, or occupancy) of a claimant on land that is not open to location under the general mining laws;

“(C) modifies any provision of law or any prior administrative action withdrawing land from location or entry;

“(D) limits the right of the Federal Government to regulate mining and mining-related activities (including requiring claim validity examinations to establish the discovery of a valuable mineral deposit) in areas withdrawn from mining, including under—

“(i) the general mining laws;

“(ii) the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.);

“(iii) the Wilderness Act (16 U.S.C. 1131 et seq.);

“(iv) sections 100731 through 100737 of title 54, United States Code;

“(v) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);

“(vi) division A of subtitle III of title 54, United States Code (commonly referred to as the ‘National Historic Preservation Act’); or

“(vii) section 4 of the Act of July 23, 1955 (commonly known as the ‘Surface Resources Act of 1955’) (69 Stat. 368, chapter 375; 30 U.S.C. 612);

“(E) restores any right (including a right of entry, use, or occupancy, or right to conduct operations) of a claimant that—

“(i) existed prior to the date on which the land was closed to, or withdrawn from, location under the general mining laws; and

“(ii) that has been extinguished by such closure or withdrawal; or

“(F) modifies section 404 of division E of the Consolidated Appropriations Act, 2024 (Public Law 118-42).”.

(b) **ABANDONED HARDROCK MINE FUND.**—

(1) **ESTABLISHMENT.**—There is established in the Treasury of the United States a separate account, to be known as the “Abandoned Hardrock Mine Fund” (referred to in this subsection as the “Fund”).

(2) **SOURCE OF DEPOSITS.**—Any amounts collected by the Secretary of the Interior pursuant to the claim maintenance fee under section 10101(a)(1) of the Omnibus Budget Reconciliation Act of 1993 (30 U.S.C. 28f(a)(1)) on mill sites located under subsection (c) of section 2337 of the Revised Statutes (30 U.S.C. 42) shall be deposited into the Fund.

(3) **USE.**—The Secretary of the Interior may make expenditures from amounts available in the Fund, without further appropriations, only to carry out section 40704 of the Infrastructure Investment and Jobs Act (30 U.S.C. 1245).

(4) **ALLOCATION OF FUNDS.**—Amounts made available under paragraph (3)—

(A) shall be allocated in accordance with section 40704(e)(1) of the Infrastructure Investment and Jobs Act (30 U.S.C. 1245(e)(1)); and

(B) may be transferred in accordance with section 40704(e)(2) of that Act (30 U.S.C. 1245(e)(2)).

(c) **CLERICAL AMENDMENTS.**—Section 10101 of the Omnibus Budget Reconciliation Act of 1993 (30 U.S.C. 28f) is amended—

(1) by striking “the Mining Law of 1872 (30 U.S.C. 28-28e)” each place it appears and inserting “sections 2319 through 2344 of the Revised Statutes (30 U.S.C. 22 et seq.)”; and

(2) in subsection (a)—

(A) in paragraph (1)—

(i) in the second sentence, by striking “Such claim maintenance fee” and inserting the following:

“(B) **FEE.**—The claim maintenance fee under subparagraph (A)”; and

(ii) in the first sentence, by striking “The holder of” and inserting the following:

“(A) **IN GENERAL.**—The holder of”; and

(B) in paragraph (2)—

(i) in the second sentence, by striking “Such claim maintenance fee” and inserting the following:

“(B) **FEE.**—The claim maintenance fee under subparagraph (A)”; and

(ii) in the first sentence, by striking “The holder of” and inserting the following:

“(A) **IN GENERAL.**—The holder of”; and

(3) in subsection (b)—

(A) in the second sentence, by striking “The location fee” and inserting the following:

“(2) **FEE.**—The location fee”; and

(B) in the first sentence, by striking “The claim maintenance fee” and inserting the following:

“(1) **IN GENERAL.**—The claim maintenance fee”.

SA 3794. Mr. MERKLEY submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in subtitle F of title X, insert the following:

SEC. 10. PROTECTING AMERICAN HOUSEHOLDS FROM RISING ENERGY COSTS.

(a) **DEFINITIONS.**—In this section:

(1) **PETROLEUM PRODUCT.**—The term “petroleum product” has the meaning given the term in section 3 of the Energy Policy and Conservation Act (42 U.S.C. 6202).

(2) **SECRETARY.**—The term “Secretary” means the Secretary of Energy.

(b) **PROHIBITION ON EXPORTS OF PETROLEUM PRODUCTS TO CERTAIN COUNTRIES.**—

(1) **PROHIBITIONS.**—

(A) **IN GENERAL.**—Notwithstanding any other provision of law, unless a waiver has been issued under paragraph (2), no person or entity may export or resell, either directly or indirectly through 1 or more third parties, petroleum products—

(i) to any entity operating in the territory of, or territory owned by, the People's Republic of China (or the Chinese Communist Party), the Russian Federation, the Democratic People's Republic of Korea, or the Islamic Republic of Iran; or

(ii) to any entity that is under the ownership or control, as determined by the Secretary in consultation with the Secretary of the Treasury and the Secretary of Commerce, of the People's Republic of China (or the Chinese Communist Party), the Russian Federation, the Democratic People's Republic of Korea, or the Islamic Republic of Iran.

(B) **RESPONSIBILITY.**—It is the responsibility of the export authorization holder to ensure compliance with this section and any other applicable law or policy, including rules, regulations, orders, and other determinations made by—

(i) the Office of Foreign Assets Control of the Department of the Treasury; and

(ii) the Federal Energy Regulatory Commission.

(2) **WAIVER.**—

(A) **IN GENERAL.**—On application by an exporter, the Secretary may waive, prior to the

date of the applicable contract, the prohibitions described in paragraph (1) with respect to the sale of petroleum products.

(B) REQUIREMENT.—The Secretary may issue a waiver under this paragraph only if the Secretary determines that an imminent and acute national security emergency to the United States exists and that other means of responding to the emergency would be inadequate.

(C) APPLICATIONS.—An exporter seeking a waiver under this paragraph shall submit to the Secretary an application by such date, in such form, and containing such information as the Secretary may require.

(D) NOTICE TO CONGRESS.—Not later than 15 days after issuing a waiver under this paragraph, the Secretary shall provide a copy of the waiver to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives.

(3) RULEMAKING.—The Secretary may promulgate, amend, and rescind rules and regulations, as the Secretary determines to be appropriate, to carry out this section.

(c) ENFORCEMENT PROVISIONS.—

(1) UNLAWFUL ACTS.—It shall be unlawful for a person to violate, attempt to violate, conspire to violate, or cause a violation of any prohibition of, or any waiver, license, order, or regulation issued pursuant to this section.

(2) CIVIL PENALTY.—

(A) IN GENERAL.—The Secretary may impose a civil penalty on any person who commits an unlawful act described in paragraph (1) in an amount not to exceed the greater of—

(i) \$250,000,000; and
(ii) an amount that is twice the amount of the transaction that is the basis of the violation with respect to which the penalty is imposed.

(B) NOTICE AND OPPORTUNITY FOR HEARING.—A civil penalty under subparagraph (A) may be imposed by the Secretary by an order made on the record after providing written notice to the person to be assessed the civil penalty and an opportunity for a hearing in accordance with this section and sections 554 through 557 of title 5, United States Code.

(C) CIVIL ACTION.—If a person described in subparagraph (A) fails to pay a civil penalty imposed by the Secretary under this paragraph after receiving notice and an opportunity for a hearing under subparagraph (B), the Secretary may bring a civil action against that person in an appropriate district court of the United States.

(D) RELIEF.—If a civil action brought by the Secretary under subparagraph (C) is successful, the applicable court may grant appropriate relief, including—

(i) a temporary injunction;
(ii) a permanent injunction; and
(iii) enforcing the civil penalties described in subparagraph (A).

(3) CRIMINAL PENALTY.—A person who knowingly commits, knowingly attempts to commit, or knowingly conspires to commit, or aids or abets in the commission of, an unlawful act described in paragraph (1) shall be fined not more than \$100,000,000, imprisoned for not more than 20 years, or both.

SA 3795. Mr. MERKLEY submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in subtitle F of title X, insert the following:

SEC. 10. PROTECTING AMERICAN HOUSEHOLDS FROM RISING ENERGY COSTS.

(a) PROHIBITION ON EXPORTS OF LIQUEFIED NATURAL GAS TO CERTAIN COUNTRIES.—

(1) PROHIBITIONS.—

(A) IN GENERAL.—Notwithstanding any other provision of law, unless a waiver has been issued under paragraph (2), no person or entity may export or resell, either directly or indirectly through 1 or more third parties, liquefied natural gas—

(i) to any entity operating in the territory of, or territory owned by, the People's Republic of China (or the Chinese Communist Party), the Russian Federation, the Democratic People's Republic of Korea, or the Islamic Republic of Iran; or

(ii) to any entity that is under the ownership or control, as determined by the Secretary of Energy (referred to in this section as the "Secretary") in consultation with the Secretary of the Treasury and the Secretary of Commerce, of the People's Republic of China (or the Chinese Communist Party), the Russian Federation, the Democratic People's Republic of Korea, or the Islamic Republic of Iran.

(B) RESPONSIBILITY.—It is the responsibility of the export authorization holder to ensure compliance with this section and any other applicable law or policy, including rules, regulations, orders, and other determinations made by—

(i) the Office of Foreign Assets Control of the Department of the Treasury; and
(ii) the Federal Energy Regulatory Commission.

(2) WAIVER.—

(A) IN GENERAL.—On application by an exporter, the Secretary may waive, prior to the date of the applicable contract, the prohibitions described in paragraph (1) with respect to the sale of liquefied natural gas.

(B) REQUIREMENT.—The Secretary may issue a waiver under this paragraph only if the Secretary determines that an imminent and acute national security emergency to the United States exists and that other means of responding to the emergency would be inadequate.

(C) APPLICATIONS.—An exporter seeking a waiver under this paragraph shall submit to the Secretary an application by such date, in such form, and containing such information as the Secretary may require.

(D) NOTICE TO CONGRESS.—Not later than 15 days after issuing a waiver under this paragraph, the Secretary shall provide a copy of the waiver to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives.

(3) RULEMAKING.—The Secretary may promulgate, amend, and rescind rules and regulations, as the Secretary determines to be appropriate, to carry out this section.

(b) ENFORCEMENT PROVISIONS.—

(1) UNLAWFUL ACTS.—It shall be unlawful for a person to violate, attempt to violate, conspire to violate, or cause a violation of any prohibition of, or any waiver, license, order, or regulation issued pursuant to this section.

(2) CIVIL PENALTY.—

(A) IN GENERAL.—The Secretary may impose a civil penalty on any person who commits an unlawful act described in paragraph (1) in an amount not to exceed the greater of—

(i) \$250,000,000; and
(ii) an amount that is twice the amount of the transaction that is the basis of the violation with respect to which the penalty is imposed.

(B) NOTICE AND OPPORTUNITY FOR HEARING.—A civil penalty under subparagraph (A) may be imposed by the Secretary by an order made on the record after providing written notice to the person to be assessed the civil penalty and an opportunity for a hearing in accordance with this section and sections 554 through 557 of title 5, United States Code.

(C) CIVIL ACTION.—If a person described in subparagraph (A) fails to pay a civil penalty imposed by the Secretary under this paragraph after receiving notice and an opportunity for a hearing under subparagraph (B), the Secretary may bring a civil action against that person in an appropriate district court of the United States.

(D) RELIEF.—If a civil action brought by the Secretary under subparagraph (C) is successful, the applicable court may grant appropriate relief, including—

(i) a temporary injunction;
(ii) a permanent injunction; and
(iii) enforcing the civil penalties described in subparagraph (A).

(3) CRIMINAL PENALTY.—A person who knowingly commits, knowingly attempts to commit, or knowingly conspires to commit, or aids or abets in the commission of, an unlawful act described in paragraph (1) shall be fined not more than \$100,000,000, imprisoned for not more than 20 years, or both.

SA 3796. Mr. MERKLEY submitted an amendment intended to be proposed by him to the bill S. 2296, to authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in subtitle F of title X, insert the following:

SEC. 10. PROTECTING AMERICAN HOUSEHOLDS FROM RISING ENERGY COSTS.

(a) DEFINITIONS.—In this section:

(1) PETROLEUM PRODUCT.—The term "petroleum product" has the meaning given the term in section 3 of the Energy Policy and Conservation Act (42 U.S.C. 6202).

(2) SECRETARY.—The term "Secretary" means the Secretary of Energy.

(b) PROHIBITION ON EXPORTS OF LIQUEFIED NATURAL GAS AND PETROLEUM PRODUCTS TO CERTAIN COUNTRIES.—

(1) PROHIBITIONS.—

(A) IN GENERAL.—Notwithstanding any other provision of law, unless a waiver has been issued under paragraph (2), no person or entity may export or resell, either directly or indirectly through 1 or more third parties, liquefied natural gas or petroleum products—

(i) to any entity operating in the territory of, or territory owned by, the People's Republic of China (or the Chinese Communist Party), the Russian Federation, the Democratic People's Republic of Korea, or the Islamic Republic of Iran; or

(ii) to any entity that is under the ownership or control, as determined by the Secretary in consultation with the Secretary of the Treasury and the Secretary of Commerce, of the People's Republic of China (or the Chinese Communist Party), the Russian Federation, the Democratic People's Republic of Korea, or the Islamic Republic of Iran.

(B) RESPONSIBILITY.—It is the responsibility of the export authorization holder to ensure compliance with this section and any other applicable law or policy, including rules, regulations, orders, and other determinations made by—

(i) the Office of Foreign Assets Control of the Department of the Treasury; and

(ii) the Federal Energy Regulatory Commission.

(2) WAIVER.—

(A) IN GENERAL.—On application by an exporter, the Secretary may waive, prior to the date of the applicable contract, the prohibitions described in paragraph (1) with respect to the sale of liquefied natural gas or petroleum products.

(B) REQUIREMENT.—The Secretary may issue a waiver under this paragraph only if the Secretary determines that an imminent and acute national security emergency to the United States exists and that other means of responding to the emergency would be inadequate.

(C) APPLICATIONS.—An exporter seeking a waiver under this paragraph shall submit to the Secretary an application by such date, in such form, and containing such information as the Secretary may require.

(D) NOTICE TO CONGRESS.—Not later than 15 days after issuing a waiver under this paragraph, the Secretary shall provide a copy of the waiver to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives.

(3) RULEMAKING.—The Secretary may promulgate, amend, and rescind rules and regulations as the Secretary determines to be appropriate, to carry out this section.

(c) ENFORCEMENT PROVISIONS.—

(1) UNLAWFUL ACTS.—It shall be unlawful for a person to violate, attempt to violate, conspire to violate, or cause a violation of any prohibition of, or any waiver, license, order, or regulation issued pursuant to this section.

(2) CIVIL PENALTY.—

(A) IN GENERAL.—The Secretary may impose a civil penalty on any person who commits an unlawful act described in paragraph (1) in an amount not to exceed the greater of—

(i) \$250,000,000; and

(ii) an amount that is twice the amount of the transaction that is the basis of the violation with respect to which the penalty is imposed.

(B) NOTICE AND OPPORTUNITY FOR HEARING.—A civil penalty under subparagraph (A) may be imposed by the Secretary by an order made on the record after providing written notice to the person to be assessed the civil penalty and an opportunity for a hearing in accordance with this section and sections 554 through 557 of title 5, United States Code.

(C) CIVIL ACTION.—If a person described in subparagraph (A) fails to pay a civil penalty imposed by the Secretary under this paragraph after receiving notice and an opportunity for a hearing under subparagraph (B), the Secretary may bring a civil action against that person in an appropriate district court of the United States.

(D) RELIEF.—If a civil action brought by the Secretary under subparagraph (C) is successful, the applicable court may grant appropriate relief, including—

(i) a temporary injunction;

(ii) a permanent injunction; and

(iii) enforcing the civil penalties described in subparagraph (A).

(3) CRIMINAL PENALTY.—A person who knowingly commits, knowingly attempts to commit, or knowingly conspires to commit, or aids or abets in the commission of, an unlawful act described in paragraph (1) shall be fined not more than \$100,000,000, imprisoned for not more than 20 years, or both.

AUTHORITY FOR COMMITTEES TO MEET

Mr. BUDD. Mr. President, I have five requests for committees to meet during today's session of the Senate. They have the approval of the Majority and Minority Leaders.

Pursuant to rule XXVI, paragraph 5(a), of the Standing Rules of the Senate, the following committees are authorized to meet during today's session of the Senate:

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

The Committee on Banking, Housing, and Urban Affairs is authorized to meet during the session of the Senate on Thursday, September 4, 2025, at 10 a.m., to conduct a hearing on nominations.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

The Committee on Energy and Natural Resources is authorized to meet during the session of the Senate on Thursday, September 4, 2025, at 9:30 a.m., to conduct a hearing on nominations.

COMMITTEE ON FINANCE

The Committee on Finance is authorized to meet during the session of the Senate on Thursday, September 4, 2025, at 9:30 a.m., to conduct a hearing on nominations.

COMMITTEE ON FINANCE

The Committee on Finance is authorized to meet during the session of the Senate on Thursday, September 4, 2025, at 10 a.m., to conduct a hearing.

SELECT COMMITTEE ON INTELLIGENCE

The Select Committee on Intelligence is authorized to meet during the session of the Senate on Thursday, September 4, 2025, at 3 p.m., to conduct a closed briefing.

PRIVILEGES OF THE FLOOR

Mr. KING. Mr. President, I ask unanimous consent that my defense fellow Joshua Creadick be granted floor privileges for the remainder of the calendar year.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR MONDAY, SEPTEMBER 8, 2025

Mr. BUDD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand adjourned until 3 p.m. on Monday, September 8, and that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, morning business be closed, and the Senate proceed to executive session to resume consideration of Calendar No. 291, Edward Artau, and at 5:30 p.m., the Senate execute the order of Wednesday, September 3, with respect to the Artau nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL MONDAY, SEPTEMBER 8, 2025, AT 3 P.M.

Mr. BUDD. Mr. President, if there is no further business to come before the Senate, I ask that it stand adjourned under the previous order.

There being no objection, the Senate, at 3:59 p.m., adjourned until Monday, September 8, 2025, at 3 p.m.

NOMINATIONS

Executive nominations received by the Senate:

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant colonel

HARRISON E. PAYNE

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

NATASCHA R. ANDERSON

JEFFREY E. AYCOCK

LUKE D. BAXLEY, JR.

LESLIE M. BEAGLE

JEFFREY J. BEHRINGER

JOHN D. BLACKBURN

AMY L. CARTMELL

ANTHONY A. CAUCHI

GERALD A. CLARK

ROBERT D. COLEMAN

KENNETH B. COLLINS

KEVAN S. CRAWLEY

JOHN A. DANIELS

COLTON C. DOUGLAS

GREGORY A. DUGGAN

JAMES A. FALCON

BRADLEY M. FIELDS

BRIAN S. FISHER

JOSEPH D. FLORES

ALISON J. FORNEY

ANISA M. GARCIA

JOHN E. GIROUX

SHARETTA N. GLOVER

ROBERT J. GRUMBO

KRISTOFER K. HAGMAN

JEFFREY J. HAMER

TIMOTHY S. HARRELL

RAWA S. HASSAN

FREDERICK A. HAUSER

MEGAN E. HAWKER

PHAN K. HELGEMOE

ANDREA R. HOOVER

DAVID C. HOSTLER

JAMELLYA R. HOWELL

DENLEY R. JANG

JEFFREY JOHNSON

PAMELA A. JOHNSON

VIKRAM KAMBAMPATI

MARY L. KWOK

RYAN M. KWOK

JOSEPH LEE

DANA A. LONIS

JULIAN G. MAPP

DAVID K. MARUTANI

DONALD K. MAXWELL

KATHY M. MCKILLIPS

ELIZABETH J. MILLER

TAMELA L. MITCHENOR

DEXTER A. MONS

ANDREW D. MUNRO

JILLIAN M. MURRAY-DUCHESNE

GREGORY R. MYRICK

OMAR NAVA

JOHNIE M. NGUYEN

MATTHEW C. NICHOLS

DONALD N. NODORA

ANGELA NOLEN

TIMOTHY A. NYDAM

DARRIN D. OLSON

GREGORY C. PARISE

MARC E. PATRICK

DOMINIC A. PAYNE

MICHAEL S. PETERMAN

MARCUS J. PIERRE

KIONA C. PRITCHARD

TYLER J. RANNEY

JASON M. REESE

KEVIN R. REINERS

CAITLIN A. RIZZIO

DESIREE ROJASEPULVEDA

MICHAEL A. RUFFIN

URAYA I. SANDERS

KAREN E. SIMS

TYLER F. SMENTEK

BRIDGETTE L. SMITH

JEFFREY A. SMYLY

LAUREN S. SODETANI-YOSHIDA

CHAD A. STRICKER

DEREK J. STRONG