### 103D CONGRESS 1ST SESSION

# H. R. 2479

To amend the Residential Lead-Based Paint Hazard Reduction Act of 1992 to establish an entitlement of States and certain political subdivisions of States to receive grants from the Secretary of Housing and Urban Development for the abatement of health hazards associated with lead-based paint, and to amend the Internal Revenue Code of 1986 to impose an excise tax and establish a trust fund to satisfy the Federal obligations arising from such entitlement.

### IN THE HOUSE OF REPRESENTATIVES

June 22, 1993

Mr. CARDIN (for himself, Mr. RANGEL, Mr. SERRANO, Mr. TOWNS, Mrs. SCHROEDER, Mr. WAXMAN, and Mr. MFUME) introduced the following bill; which was referred jointly to the Committees on Banking, Finance and Urban Affairs and Ways and Means

#### NOVEMBER 10, 1993

Additional sponsors: Ms. Pelosi, Mr. Dellums, Mr. Hinchey, Mrs. Unsoeld, Ms. Norton, Mr. Owens, Mr. Engel, Mr. Gutierrez, Mr. Stokes, Mr. Yates, Mr. Bacchus of Florida, Mr. Stark, Mr. Miller of California, Mr. Velázquez, Mr. Foglietta, Mr. Ackerman, Mr. Tucker, Mr. Vento, Mr. Wynn, Mr. Rush, and Mr. Berman

# A BILL

To amend the Residential Lead-Based Paint Hazard Reduction Act of 1992 to establish an entitlement of States and certain political subdivisions of States to receive grants from the Secretary of Housing and Urban Development for the abatement of health hazards associated with lead-based paint, and to amend the Internal Revenue Code of 1986 to impose an excise tax and establish

a trust fund to satisfy the Federal obligations arising from such entitlement.

- 1 Be it enacted by the Senate and House of Representa-
- tives of the United States of America in Congress assembled, 2

#### 3 SECTION 1. SHORT TITLE.

- This Act may be cited as the "Lead-Based Paint 4
- Hazard Abatement Trust Fund Act of 1993".

#### SEC. 2. FINDINGS AND PURPOSES.

- (a) FINDINGS.—The Congress finds that— 7
- 8 (1) deteriorating lead-based paint is currently 9 the principal source of moderate to high lead exposures for American children:
- 11 (2) such exposures significantly impair intellec-12 tual abilities, reading skills, attention span, and edu-
- cational attainment, and cause other adverse effects; 13
- 14 (3) millions of low- and moderate-income dwell-
- 15 ings contain serious lead-based paint hazards, in-
- cluding high levels of lead in surface dust, chipping 16
- 17 or peeling lead-based paint, and lead-based paint on
- 18 surfaces subject to mouthing by children or wear by
- friction: 19

- 20 (4) the cost of abating such hazards in owner-
- occupied homes typically exceeds the financial re-21
- 22 sources available to low-income homeowners;
- 23 (5) the cost of abating lead-based paint hazards
- 24 in low-income rental housing far exceeds existing re-

- sources available for such housing and such hazards will severely limit the supply of inhabitable affordable housing unless assistance is provided for abatement;
  - (6) the cost of abating lead-based paint hazards in child care facilities far exceeds existing resources available for such facilities and such hazards will severely limit the supply of safe and affordable child care unless assistance is provided for abatement;
  - (7) State and local governments lack adequate resources to finance lead-based paint hazard reduction needs;
  - (8) although the Residential Lead-Based Paint Hazard Reduction Act of 1992 and other Federal statutes establish an appropriate framework for regulation of lead-hazard evaluation and reduction activities and programs, there remains an urgent need for additional funding for abating lead-based paint hazards in both rental and owner-occupied low-income housing and child care centers; and
  - (9) a dedicated source of funding for lead-based paint hazard reduction is needed to provide continuity of abatement programs during the next decade, particularly because of the substantial immediate

1	and medium-term fiscal obligations of the Federal
2	Government.
3	(b) Purposes.—The purposes of this Act are—
4	(1) to provide consistent and adequate funding
5	for abatement of serious lead-based paint hazards in
6	low-income housing and child care centers;
7	(2) to ensure that abatements conducted using
8	amounts provided pursuant to this Act are safe and
9	cost-effective; and
10	(3) to enhance the supply of affordable, lead-
11	safe housing and child care centers in the United
12	States.
13	SEC. 3. ENTITLEMENT PROGRAM OF FORMULA GRANTS
13 14	SEC. 3. ENTITLEMENT PROGRAM OF FORMULA GRANTS FOR ABATEMENT OF LEAD-BASED PAINT HAZ-
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14 15 16 17	FOR ABATEMENT OF LEAD-BASED PAINT HAZ-ARDS.  (a) IN GENERAL.—Title X of the Housing and Com-
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114 115 116 117 118	FOR ABATEMENT OF LEAD-BASED PAINT HAZ-ARDS.  (a) IN GENERAL.—Title X of the Housing and Community Development Act of 1992 (42 U.S.C. 4851 et seq.) is amended—  (1) by redesignating section 1061 as section
14 15 16 17 18 19 20	FOR ABATEMENT OF LEAD-BASED PAINT HAZ-ARDS.  (a) IN GENERAL.—Title X of the Housing and Community Development Act of 1992 (42 U.S.C. 4851 et seq.) is amended—  (1) by redesignating section 1061 as section 1081;
14 15 16 17 18 19 20 21	FOR ABATEMENT OF LEAD-BASED PAINT HAZ-ARDS.  (a) IN GENERAL.—Title X of the Housing and Community Development Act of 1992 (42 U.S.C. 4851 et seq.) is amended—  (1) by redesignating section 1061 as section 1081;  (2) by redesignating subtitle E as subtitle F;

1	"Subtitle E—Entitlement Program
2	for Formula Grants for Lead-
3	<b>Based Paint Hazard Reduction</b>
4	"SEC. 1061. ALLOTMENTS FOR STATES AND CERTAIN POLIT-
5	ICAL SUBDIVISIONS.
6	"(a) In General.—
7	"(1) Standard allotments.—The Secretary
8	of Housing and Urban Development shall, for fiscal
9	year 1994 and each subsequent fiscal year, make a
10	standard allotment for each eligible public entity in
11	the amount determined in accordance with section
12	1069(b).
13	"(2) Total allotments.—The Secretary
14	shall, for each of such years, make a total allotment
15	for each eligible public entity for which the amount
16	of the standard allotment for such entity for the
17	year exceeds \$250,000. The amount of the total al-
18	lotment shall be determined in accordance with sec-
19	tion 1069(a).
20	"(3) Grants.—For the purposes described in
21	section 1064, in each of such fiscal years, the Sec-
22	retary shall make a grant, from amounts in the
23	Lead Abatement Trust Fund established in section
24	9512 of the Internal Revenue Code of 1986, to each

eligible public entity for which a total allotment is

1	made of the total allotment made for the entity for
2	such year.
3	"(4) Ineligibility because of insufficient
4	STANDARD ALLOTMENT.—If the amount of the
5	standard allotment for an eligible public entity is
6	equal to or less than \$250,000, the entity shall not
7	receive a grant under this section for the fiscal year
8	and the standard allotment for the entity shall be
9	terminated for the fiscal year.
10	"(b) Eligible Public Entities.—For purposes of
11	this subtitle, the term 'eligible public entity' means any
12	public entity that—
13	"(1) submits to the Secretary for the fiscal year
14	involved a plan in accordance with section 1067(a)
15	that is approved by the Secretary under section
16	1067(b);
17	"(2) is—
18	"(A) a State;
19	"(B) a city that has a population of
20	100,000 or more individuals;
21	"(C) an urban county (excluding the popu-
22	lation of any such city therein that has so sub-
23	mitted such a plan); or

1	"(D) a consortium of smaller communities
2	that are not entities described in subparagraph
3	(A), (B), or (C) that—
4	"(i) submits the plan under section
5	1067(a) as a consortium; and
6	"(ii) meets such other requirements as
7	the Secretary may establish;
8	"(3) has an authorized program under section
9	404 of the Toxic Substances Control Act, or is lo-
10	cated in a State that has such a program;
11	"(4) has submitted to the Secretary a com-
12	prehensive housing affordability strategy under sec-
13	tion 105 of the Cranston-Gonzalez National Afford-
14	able Housing Act that includes the information re-
15	quired by section 105(b)(16) of such Act (as added
16	by section 1014 of the Housing and Community De-
17	velopment Act of 1992, Public Law 102-550, relat-
18	ing to information on lead-based paint hazards) and
19	has not had such strategy disapproved for the year
20	involved because of failure to provide sufficient in-
21	formation under such section 105(b)(16); and
22	"(5) for any public entity that is a city or
23	urban county, has in effect, for the entire jurisdic-
24	tion of the public entity, local lead-based paint laws.

1	"SEC. 1062. LEAD ABATEMENT TRUST FUND; ENTITLEMENT
2	STATUS OF GRANTS.
3	"(a) Trust Fund.—The Secretary shall make
4	grants under section 1061 only from amounts in the Lead
5	Abatement Trust Fund established in section 9512 of the
6	Internal Revenue Code of 1986. Any amounts in the Fund
7	on October 1 of a fiscal year that remain after amounts
8	are reserved pursuant to section 1072 shall be allotted for
9	the grants in accordance with section 1061. Any amounts
10	credited to the Fund during the period of such fiscal year
11	occurring after October 1 shall not be available for allot-
12	ment during such period.
13	"(b) Entitlement Status.—
14	"(1) In general.—Subject to subsection (c)
15	each eligible public entity is entitled to payment of
16	the grant required by section 1061 for fiscal year
17	1994 and each subsequent fiscal year.
18	"(2) Rule of construction.—Paragraph (1)
19	may not be construed to establish, with respect to
20	this section, an entitlement of any individual to have
21	carried out on behalf of the individual any activity
22	authorized in section 1064.
23	"(c) Limitations.—An entitlement is established
24	pursuant to section 1061 for a fiscal year for an eligible
25	public entity—

- "(1) only to the extent that there are amounts
  in the Fund and only to the extent of the amount
  of the total allotment made under such section for
  the entity;
  - "(2) only to the extent of the Federal payments corresponding to the amount of non-Federal contributions made by the entity under section 1063;
- 8 "(3) only if section 1061(a)(4) has not termi-9 nated the standard allotment for the entity; and
- 10 "(4) only if subsection (d) has not terminated 11 the availability of the grant made from the total al-12 lotment.
- "(d) AVAILABILITY OF GRANT.—With respect to the 24-month period beginning on the date on which a grant under section 1061 for a fiscal year becomes available to an eligible public entity, any portion of the grant that is not obligated by the entity before the expiration of such period shall lapse into the Fund and be available for grants under such subsection for the following fiscal year.

# 20 "SEC. 1063. REQUIREMENT OF MATCHING FUNDS.

"(a) IN GENERAL.—The Secretary may not make a grant under section 1061 for a fiscal year to an eligible public entity unless the public entity agrees, with respect to the costs of the program to be carried out in such year by the entity pursuant to such section, to make available

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- 1 (directly or through donations from public or private enti-
- 2 ties) non-Federal contributions toward such costs in an
- 3 amount that is not less than 10 percent of such costs.
- 4 "(b) Determination of Amount of Non-Fed-
- 5 ERAL CONTRIBUTION.—Non-Federal contributions re-
- 6 quired in subsection (a) may be in cash or in kind, fairly
- 7 evaluated, including plant, equipment, or services.
- 8 Amounts provided by the Federal Government, or services
- 9 assisted or subsidized to any significant extent by the Fed-
- 10 eral Government, may not be included in determining the
- 11 amount of such non-Federal contributions.
- 12 "SEC. 1064. USE OF GRANTS.
- 13 "(a) IN GENERAL.—Grant amounts under section
- 14 1061 may be used—
- 15 "(1) to perform risk assessments and inspec-
- tions in eligible facilities;
- 17 "(2) to provide for the abatement of lead-based
- paint hazards in eligible facilities;
- 19 "(3) to provide for the additional cost of abate-
- 20 ment of lead-based paint hazards in eligible facilities
- 21 undergoing renovation funded by other sources;
- 22 "(4) with respect to common areas in residen-
- tial structures containing eligible residential units
- and dwelling units that are not eligible residential
- units, to perform risk assessments and inspections,

to provide for the abatement of lead-based paint hazards, and to provide for the additional cost of abatement of lead-based paint hazards in such structures undergoing renovation funded by sources other than this subtitle; except that the ratio of the grant amounts used with respect to a structure for purposes under this paragraph to the total cost of the risk assessments, inspections, and abatement for common areas of the structure may not exceed the ratio of the number of eligible residential units in the structure to the number of dwelling units in the structure that are not eligible residential units;

- "(5) to ensure that risk assessments, inspections, and abatements are carried out by certified contractors in accordance with section 402 of the Toxic Substances Control Act;
- "(6) to monitor the blood-lead levels of workers involved in lead hazard abatement activities funded with grant amounts;
- "(7) to test soil, interior surface dust, and the blood-lead levels of children who are less than 6 years of age residing in eligible residential units after lead-based paint hazard abatement activity has been conducted, to assure that such activity does not cause excessive exposures to lead;

1 "(8) to train employees and nonprofit contrac-
2 tors of eligible public entities conducting activities
funded with grant amounts to conduct such activi-
4 ties, except that such training shall be provided
5 through training providers accredited under sections
6 402 and 404 of the Toxic Substances Control Act;
7 "(9) to assist in the temporary relocation of oc-
8 cupants of eligible residential units while lead hazard
9 abatement activities are being conducted for such
units;
"(10) to acquire, renovate, and maintain tem-
porary housing for low-income occupants of eligible
residential units while lead hazard abatement activi-
ties are being conducted for such units;
"(11) to undertake emergency measures;
"(12) only if expressly authorized by regula-
tions issued by the Secretary—
18 "(A) to perform risk assessment, inspec-
tion, and abatement activities in dwelling units
that are not eligible residential units but are
undergoing renovation pursuant to which they
will be made available for occupancy subject to
provisions of section 1066 that apply to eligible

residential units;

"(B) to assist in the permanent relocation of families with children who are less than 6 years of age and have elevated blood levels; or

- "(C) to conduct activities to prevent degradation of lead-based paint, including activities to control moisture; and
- "(13) to carry out such other activities that the Secretary determines, by regulation, are appropriate to promote the purposes of this subtitle.

# "(b) Forms of Assistance.—

- "(1) IN GENERAL.—Subject to paragraph (2), grant amounts under section 1061 may be used to carry out activities under subsection (a) through a variety of programs, including direct provision of such services, grants, loans, equity investments, revolving loan funds, loan funds, loan guarantees, interest write-downs, and other forms of assistance approved by the Secretary.
- "(2) Requirements for grants by states to units of general local government.—A State may not provide a grant to any public entity or other unit of general local government using grant amounts under section 1061 unless such entity or unit has a local lead-based paint law in effect for its entire jurisdiction. This paragraph may not

- 1 be construed to limit the use of grant amounts
- 2 under section 1061 to provide assistance in any form
- authorized under paragraph (1) other than such
- 4 grants.
- 5 "SEC. 1065. REQUIREMENTS OF ELIGIBLE PUBLIC ENTI-
- 6 TIES.
- 7 "(a) COMPLIANCE WITH PLAN.—Grant amounts
- 8 may be expended by the eligible public entity receiving the
- 9 grant only in accordance with the plan for the entity ap-
- 10 proved by the Secretary under section 1067.
- 11 "(b) CERTIFICATION OF PERSONNEL AND COMPLI-
- 12 ANCE.—Grant amounts may not be expended for risk-as-
- 13 sessment, inspection, or abatement activities unless the el-
- 14 igible public entity ensures that the individuals conducting
- 15 such activities have been certified in accordance with the
- 16 requirements of section 402 of the Toxic Substances Con-
- 17 trol Act.
- 18 "(c) Limitation of Administrative Expenses.—
- 19 Not more than 10 percent of a grant under section 1061
- 20 may be used for administrative expenses associated with
- 21 the activities under section 1064(a).
- 22 "(d) Limitation on Emergency Measures.—Not
- 23 more than 20 percent of a grant under section 1061 may
- 24 be used to undertake emergency measures.

- 1 "(e) Prohibition of Substitution of Funds.—
- 2 Grant amounts may not be used to replace other amounts
- 3 made available or designated by State or local govern-
- 4 ments for use for the purposes under section 1064(a).
- 5 "(f) FINANCIAL RECORDS.—An eligible public entity
- 6 that receives a grant under section 1061 shall maintain
- 7 any financial records that the Secretary shall require to
- 8 ensure proper accounting and disbursing of grant
- 9 amounts, and shall provide such records to the Secretary
- 10 upon request.
- 11 "(g) Use of Amounts to Assist Small Busi-
- 12 NESSES.—Notwithstanding section 1064, not more than
- 13 1 percent of a grant under section 1061 may be used to
- 14 provide assistance or incentives to nonprofit organizations
- 15 and small businesses, which have 10 or fewer employees
- 16 (or such other number of employees as the Secretary pro-
- 17 vides by regulation), to encourage such organizations and
- 18 businesses to obtain or engage in work involving perform-
- 19 ing risk assessments and inspections, conducting lead haz-
- 20 ard abatement activities, or conducting emergency meas-
- 21 ures and to assist such businesses or organizations to ob-
- 22 tain such work.

1	"SEC. 1066. CONTINUED USE OF ELIGIBLE RESIDENTIAL
2	UNITS AS AFFORDABLE HOUSING.
3	"(a) Affordable Housing Requirement.—For
4	the duration of the period described in subsection (b), any
5	eligible residential unit for which abatement activities are
6	carried out with grant amounts shall—
7	"(1) in the case of a rental dwelling unit—
8	"(A) bear a rent (not including any utility
9	charges) that does not exceed the fair market
10	rental established by the Secretary under sec-
11	tion 8 of the United States Housing Act of
12	1937 and applicable to a unit in the area of
13	comparable size and type; and
14	"(B) not be refused for leasing to a holder
15	of a voucher or certificate of eligibility under
16	section 8 of the United States Housing Act of
17	1937 because of the status of the prospective
18	tenant as a holder of such voucher or certificate
19	of eligibility; or
20	"(2) in the case of a unit that is occupied by
21	the owner of the unit or for which the family that
22	will occupy the unit has entered into a contract to
23	purchase the unit, be occupied by a family—
24	"(A) whose members include (I) a child
25	who is less than 6 years of age, or (II) a preg-
26	nant female: and

1	"(B) that is a low-income family.
2	"(b) APPLICABLE PERIOD.—For any eligible residen-
3	tial unit involved, the period referred to in subsection (a)
4	is the period beginning upon the date that post-abatement
5	clearance testing is satisfactorily completed and consisting
6	of a number of consecutive months equal to the quotient
7	resulting from dividing by 85.0 the amount of grant
8	amounts expended for the unit.
9	"(c) AGREEMENT AND LIEN.—
10	"(1) AGREEMENT.—Grant amounts may be ex-
11	pended for abatement activities for an eligible resi-
12	dential unit only if, before the commencement of the
13	activities, the eligible public entity receiving the
14	grant has made reasonable efforts to enter into an
15	agreement with the owner of the unit that—
16	"(A) provides for the abatement activities
17	to be carried out;
18	"(B) establishes a lien under paragraph
19	(3) on the unit to secure compliance with sub-
20	section (a); and
21	"(C) provides penalties for the breach of
22	the agreement, as the Secretary determines ap-
23	propriate.
24	"(2) Nonconsensual lien.—In any case in
25	which the eligible public entity involved is unable to

enter into an agreement under paragraph (1) with the owner of any eligible residential unit, the expenditure of any grant amounts for abatement activities for the unit shall create a lien under paragraph (3).

"(3) TERMS OF LIEN.— A lien under this paragraph shall be in the amount of the expenditures made with grant amounts for abatement activities carried out with respect to the unit, with the eligible public entity as the holder of the lien.

# "(d) RECOVERY OF GRANT AMOUNTS.—

"(1) AUTHORITY.—If, at any time during the period described in subsection (b), an eligible residential unit for which grants amounts were expended for abatement activities does not comply with the requirements under subsection (a), the eligible public entity or the Secretary may recover from the owner of the structure all or part of the expenditures of the grant made for abatement activities conducted with respect to the unit, together with interest on such amounts. Such interest shall be calculated from the date of initial noncompliance with the requirements under subsection (a) at a rate equal to the coupon issue yield equivalent (as determined by the Secretary of the Treasury) of the aver-

- age accepted auction price for the last auction of 52week United States Treasury bills settled immediately prior to the date of the recovery.
  - "(2) Cause of action.—An eligible public entity or the Secretary may bring an action in any court of competent jurisdiction to collect grant amounts and interest under this section.
  - "(3) AWARD OF COSTS.—In any action brought by an eligible entity or the Secretary to recover such amounts, if the entity or Secretary prevails or substantially prevails in such action, the court shall award the costs of litigation (including reasonable attorneys and expert witness fees) if the court determines such an award is appropriate.
  - "(4) USE OF RECOVERED AMOUNTS.—Any amounts recovered by an eligible public entity pursuant to this subsection shall be treated as amounts provided to the entity in a grant under section 1061 and shall be subject to the provisions of this subtitle applicable to such grant amounts. Any amounts recovered by the Secretary pursuant to this subsection shall be made available and used in accordance with section 9512 of the Internal Revenue Code of 1986 (relating to the Lead Abatement Trust Fund).

1	"SEC. 1	067.	PLAN	REGA	RDING	ACTIV1	ITIES (	<b>OF</b>	GRAN	TEE.

2	"(a) REQUIREMENTS.—With respect to a grant
3	under section 1061 for a public entity for a fiscal year,
4	a plan is in accordance with this section only if the follow-
5	ing requirements are met:
6	"(1) Submission.—The public entity submits a
7	plan to the Secretary not later than May 1st of the
8	preceding fiscal year (or such other date as the Sec-
9	retary may establish for submission of plans for fis-
10	cal year 1994) containing the information required
11	under this subsection.
12	"(2) Priorities for use of grants.—The
13	plan provides, to the extent practicable, that—
14	"(A) in expending grant amounts, the ratio
15	of the amount expended for performing risk as-
16	sessments, inspections, and abatement activities
17	for eligible residential units in rental housing to
18	the amount expended for such assessments, in-
19	spections, and activities for eligible residential
20	units that are owner-occupied shall be not less
21	than 2 times the quotient of—
22	"(i) the number of rental housing
23	units in the jurisdiction of the public entity
24	whose construction was completed by not
25	later than January 1, 1950; divided by

1	"(ii) the number of owner-occupied
2	housing units in the jurisdiction whose
3	construction was completed by not later
4	than January 1, 1950; and
5	"(B) in expending grant amounts for ac-
6	tivities for eligible residential units that are
7	owner-occupied, priority shall be given—
8	"(i) first, for units occupied by fami-
9	lies (I) whose members include a child who
10	is less than 6 years of age or a pregnant
11	woman, and (II) whose family income does
12	not exceed the official poverty line (as de-
13	fined by the Office of Management and
14	Budget and revised periodically in accord-
15	ance with section 673(2) of the Omnibus
16	Budget Reconciliation Act of 1981) appli-
17	cable to the family of the size involved;
18	"(ii) second, for units occupied by
19	families (I) whose members include a child
20	who is less than 6 years of age or a preg-
21	nant woman, and (II) that are very-low in-
22	come families;
23	"(iii) third, for units occupied by fam-
24	ilies (I) whose members include a child
25	who is less than 6 years of age or a preg-

1	nant woman, and (II) that are low-income
2	families; and
3	"(iv) fourth, for units occupied by
4	other families whose members include (I) a
5	child who is less than 6 years of age, or
6	(II) a pregnant woman.
7	"(3) Availability of rental units.—The
8	plan provides that the eligible public entity shall en-
9	courage owners of eligible residential units for which
10	risk assessments, inspections, or abatement activities
11	have been conducted using grant amounts and that
12	are made available for rental to make such units
13	available to families whose members include (A) a
14	child who is less than 6 years of age, or (B) a preg-
15	nant woman.
16	"(4) PROGRAM STRATEGY.—The plan contains
17	descriptions of the methods by which the public en-
18	tity—
19	"(A) will provide priority for the use of
20	grant amounts in accordance with paragraph
21	(2);
22	"(B) will encourage owners of units re-
23	ferred to in paragraph (3) to make such units
24	available to families described in such para-
25	graph;

1	"(C) will select the eligible facilities for
2	which risk assessments are to be conducted
3	using grant amounts;
4	"(D) will select the eligible facilities for
5	which abatement activities are to be conducted
6	using grant amounts; and
7	"(E) will ensure compliance with the re-
8	quirements of subsections (a) through (c) of
9	section 1066.
10	"(5) Distribution of amounts by states.—
11	In the case of a public entity that is a State, the
12	plan contains a description of the method by which
13	the State will expend or distribute grant amounts to
14	units of general local government in accordance with
15	this subtitle and will ensure compliance with the pro-
16	visions of this subtitle with respect to such distrib-
17	uted amounts.
18	"(6) Local lead-based paint laws.—The
19	plan contains evidence there are in effect, for the en-
20	tire jurisdiction of the public entity, local lead-based
21	paint laws.
22	"(7) Coordination with local agencies.—
23	The plan provides for the public entity to coordinate
24	with State and local health, housing, and environ-

mental agencies and contains a description of the

1 methods by which the entity shall ensure that such 2 coordination is carried out.

- "(8) Employment.—The plan provides for the public entity to make training and employment opportunities available in connection with activities carried out with grant amounts available to low-income residents of areas having substantial numbers of eligible facilities with lead-based paint hazards and to community-based contractors and nonprofit organizations serving such areas.
- "(9) CERTIFICATION OF PREVIOUS COMPLI-ANCE.—With respect to fiscal year 1995 and subsequent fiscal years, the plan contains a certification that, for the most recent fiscal year for which the entity received a grant under this subtitle, the entity complied with the requirements under sections 1065 and 1066.
- "(10) CITIZEN PARTICIPATION.—Before submitting the plan, the public entity has—
  - "(A) made available to its citizens, public agencies, and other interested parties information concerning the amount the entity expects to receive under the grant and the proposed uses of the grant amounts;

	7.0
1	"(B) published a proposed plan in a man-
2	ner that, in the determination of the Secretary
3	affords affected citizens, public agencies, and
4	other interested parties a reasonable oppor-
5	tunity to examine its content and to submit
6	comments on the proposed plan;
7	"(C) held 1 or more public hearings to ob-
8	tain the views of citizens, public agencies, and
9	other interested parties on the needs of the
10	public entity with respect to lead-based paint
11	hazards in eligible facilities;
12	"(D) provided citizens, public agencies
13	and other interested parties with reasonable ac-
14	cess to records regarding the uses of grant
15	amounts from any grants the public entity has
16	received under this subtitle during the preced-
17	ing 5 years;
18	"(E) considered any comments or views of
19	citizens in preparing the final plan for submis-
20	sion under this section, and has attached a
21	summary of such comments or views to the plan
22	submitted; and
23	"(F) made the plan submitted available to
24	the public.

A public entity shall be considered to have complied with the requirements of this paragraph if the public entity submits to the Secretary a comprehensive housing affordability strategy required under section 105 of the Cranston-Gonzalez National Affordable Housing Act that includes the information required under paragraphs (1) through (9) of this section, and complies with the requirements of section 107 of such Act (relating to citizen participation).

# "(b) REVIEW.—

"(1) IN GENERAL.—Upon the submission of a plan under this section, the Secretary shall review the plan to determine whether it is in accordance with this section. Not later than 90 days after receipt by the Secretary, the Secretary shall approve the plan unless the Secretary determines that it has not been submitted in accordance with this section, in which case the Secretary shall disapprove the plan.

"(2) NOTIFICATION.—The Secretary shall immediately notify the public entity submitting a plan, in writing, of any approval or disapproval of the plan. A plan shall be considered to have been approved under this subsection for purposes of section 1061(b)(1) unless the Secretary provides notice

- under this paragraph of disapproval during the period referred to paragraph (1) of this subsection.
  - "(3) DISAPPROVAL.—In the case of a plan disapproved by the Secretary, the Secretary shall include with the notification of disapproval a written description of the reasons for the disapproval identifying the specific deficiencies of the plan.
  - "(4) AMENDMENTS AND RESUBMISSION.—Any public entity whose plan has been disapproved may amend or resubmit the plan during the 60-day period beginning upon notice of disapproval. The Secretary shall review, and approve or disapprove a plan amended or resubmitted under this paragraph not later than 60 days after receipt of the resubmitted plan, and shall immediately notify the public entity amending or resubmitting the plan, in writing, of such approval or disapproval. A plan resubmitted or amended under this paragraph shall be considered to have been approved under this subsection for purposes of section 1061(b)(1) unless the Secretary provides notice under this paragraph of disapproval during such period.

# 23 "SEC. 1068. ANNUAL REPORTS TO SECRETARY.

"(a) IN GENERAL.—An eligible public entity that receives a grant under section 1061 shall submit to the Sec-

- 1 retary, for such fiscal year, a report under this section.
- 2 The report shall be submitted not later than the expiration
- 3 of the 6-month period beginning upon the termination of
- 4 the fiscal year in which the grant is received, in the form
- 5 and manner required by the Secretary. The Secretary may
- 6 provide for any public entity that is required to submit
- 7 a report under this section that also is required to submit
- 8 a performance report under section 108(a) of the Cran-
- 9 ston-Gonzalez National Affordable Housing Act, to comply
- 10 with this section by including the information required in
- 11 the report under this section in such performance report.
- 12 "(b) CONTENTS.—A report under this section shall
- 13 include the following information:
- 14 "(1) The sources and amounts from which the
- entity obtained the non-Federal contributions re-
- quired by section 1063.
- 17 "(2) The number of children within the juris-
- diction of the eligible public entity who have been
- screened for blood-lead levels and the findings re-
- sulting from such screenings.
- 21 "(3) The amount of funds provided under sec-
- tion 1061 that were expended for each of the cat-
- egories of activities authorized under section
- 24 1064(a).

1	"(4) The amount of funds provided under sec-
2	tion 1061 that were expended for abatement activi-
3	ties with respect to owner-occupied dwelling units
4	and the amount so expended with respect to rental
5	dwelling units.
6	"(5) The number of eligible facilities for
7	which—
8	"(A) evaluation activities were conducted;
9	"(B) emergency measures were conducted
10	(and a description of such activities);
11	"(C) abatement activities were commenced
12	"(D) abatement activities were completed
13	and the facility passed post-abatement clear-
14	ance testing; and
15	"(E) abatement activities were completed
16	and the facility failed to pass post-abatement
17	clearance testing.
18	"(6) With respect to eligible facilities described
19	in paragraph (5)(E), a description of the status of
20	such facilities and the reasons underlying such sta-
21	tus.
22	"(7) For each eligible facility for which abate-
23	ment activities and emergency measures have been
24	conducted using grant amounts the address and

owner of the facility and the census tracts within 1 2 which the facility is located. 3 "SEC. 1069. DETERMINATION OF AMOUNT OF ALLOTMENT. "(a) Amount of Total Allotment.—The amount 4 of a total allotment under section 1061(a)(2) for an eligible public entity for a fiscal year shall be an amount equal to the sum of— "(1) the amount of the standard allotment de-8 termined for the entity under subsection (b); and 9 "(2) the amount of the supplemental allotment 10 determined for the entity under subsection (d). 11 "(b) Amount of Standard Allotment.—The 12 amount of a standard allotment for an eligible public entity for a fiscal year shall be the product of— 14 "(1) the amount in the Fund that under section 15 1062(a) is available for allotments for the fiscal 16 17 year; and "(2) a percentage equal to the mean of the 3 18 19 percentages determined under subsection (c) with re-20 spect to the entity. 21 "(c) Percentages Regarding Relevant Fac-TORS.—Subject to subsection (e), the 3 percentages referred to in subsection (b)(2) with respect to an eligible public entity are as follows:

1	"(1) Children in Poverty.—The percentage
2	equal to the quotient of—
3	"(A) an amount equal to the number of
4	children who are less than 6 years of age resid-
5	ing in the jurisdiction of the entity whose fami-
6	lies have incomes equal to or below the official
7	poverty line (as defined by the Office of Man-
8	agement and Budget and revised periodically in
9	accordance with section 673(2) of the Omnibus
10	Budget Reconciliation Act of 1981) applicable
11	to the family of the size involved; divided by
12	"(B) an amount equal to the sum of the
13	respective amounts determined under subpara-
14	graph (A) for each eligible public entity.
15	"(2) Families in pre-1950 housing.—The
16	percentage equal to the quotient of—
17	"(A) an amount equal to the number of
18	families residing in the jurisdiction of the entity
19	that—
20	"(i) have incomes equal to or less
21	than such poverty line; and
22	"(ii) reside in residential units whose
23	construction was completed by not later
24	than January 1, 1950; divided by

1	"(B) an amount equal to the sum of the
2	respective amounts determined under subpara-
3	graph (A) for each eligible public entity.
4	"(3) Families in pre-1960 housing.—The
5	percentage equal to the quotient of—
6	"(A) an amount equal to the number of
7	families residing in the jurisdiction of the entity
8	that—
9	"(i) have incomes equal to or less
10	than such poverty line; and
11	"(ii) reside in residential units whose
12	construction was completed by not later
13	than January 1, 1960; divided by
14	"(B) an amount equal to the sum of the
15	respective amounts determined under subpara-
16	graph (A) for each eligible public entity.
17	"(d) Amount of Supplemental Allotment.—
18	"(1) IN GENERAL.—The amount of a supple-
19	mental allotment for an eligible public entity for a
20	fiscal year shall be the product of—
21	"(A) an amount equal to the aggregate
22	amount of any standard allotments for the fis-
23	cal year under section 1061(a)(1) terminated
24	under section 1061(a)(4); and

1	"(B) a percentage equal to the mean of the
2	3 percentages determined under paragraph (2)
3	with respect to the entity.
4	"(2) Percentages regarding relevant
5	FACTORS.—Subject to subsection (e), the 3 percent-
6	ages referred to in paragraph (1)(B) with respect to
7	an eligible public entity are as follows:
8	"(A) Children in Poverty.—The per-
9	centage equal to the quotient of—
10	"(i) the amount determined under
11	subsection $(c)(1)(A)$ for the entity; divided
12	by
13	"(ii) an amount equal to the sum of
14	the respective amounts determined under
15	subsection (c)(1)(A) for each eligible public
16	entity that receives a grant under section
17	1061.
18	"(B) Families in pre-1950 housing.—
19	The percentage equal to the quotient of—
20	"(i) the amount determined under
21	subsection (c)(2)(A) for the entity; divided
22	by
23	"(ii) an amount equal to the sum of
24	the respective amounts determined under
25	subsection (c)(2)(A) for each eligible public

1	entity that receives a grant under section
2	1061.
3	"(C) Families in Pre-1960 Housing.—
4	The percentage equal to the quotient of—
5	"(i) the amount determined under
6	subsection (c)(3)(A) for the entity; divided
7	by
8	"(ii) an amount equal to the sum of
9	the respective amounts determined under
10	subsection (c)(3)(A) for each eligible public
11	entity that receives a grant under section
12	1061.
13	"(e) Prohibition Against Duplicative Count-
14	ING.—In the case of any eligible public entity within whose
15	jurisdiction there exists the jurisdiction of another eligible
16	public entity, the calculations regarding percentages made
17	under each of paragraphs (1) through (3) of subsection
18	(c) and under each of subparagraphs (A) through (C) of
19	subsection (d)(2) may not include any numbers represent-
20	ing children or families (as the case may be) who reside
21	in the jurisdiction of the other eligible public entity.
22	"SEC. 1070. CITIZENS' SUITS.
23	"Any person may bring an action against the Sec-
24	retary where there is alleged a failure of the Secretary to
25	perform any act of duty under this subtitle that is not

- discretionary with the Secretary. The court, in issuing any final order in any action brought pursuant to this section, may award costs of litigation (including reasonable attor-3 ney and expert witness fees) to the prevailing or substan-4 tially prevailing party, whenever the court determines that such an award is appropriate. Nothing in this section shall restrict any right that any person (or class of persons) 8 may have under any statute or common law. "SEC. 1071. EVALUATION OF PROGRAM; REPORTS TO CON-10 GRESS. "(a) EVALUATIONS.—The Secretary shall, directly or 11 through contracts with public or private entities, carry out evaluations of representative programs carried out by eligible public entities pursuant to this subtitle. 15 "(b) REPORTS.—Not later than the expiration of the 18-month period beginning on the date of the enactment 16 of the Lead-Based Paint Hazard Abatement Trust Fund Act of 1993, and every 24 months thereafter, the Secretary shall submit to the Congress a report—
- 20 "(1) summarizing evaluations carried out pur-
- suant to subsection (a) during the preceding 2 fiscal
- years; and
- 23 "(2) summarizing reports submitted to the Sec-
- retary pursuant to section 1068.

1	"SEC. 1072. USE OF TRUST FUND AMOUNTS FOR EVALUA
2	TION AND ADMINISTRATION.
3	"In each year, of any amounts in the Lead Abate-
4	ment Trust Fund established in section 9512 of the Inter-
5	nal Revenue Code of 1986 on October 1, the Secretary
6	may reserve not more than 0.1 percent for costs relating
7	to carry out this subtitle (including carrying out evalua-
8	tions under section 1071) during the fiscal year beginning
9	on such October 1.
10	"SEC. 1073. DEFINITIONS.
11	"For purposes of this subtitle:
12	"(1) The term 'child day-care structure' means
13	a structure—
14	"(A) whose purpose includes provision of
15	child care to children under the age of 7; and
16	"(B) that is operated by an entity licensed
17	by a State or political subdivision of a State to
18	engage in such business.
19	The term includes rooms and common areas in
20	school buildings used for activities described in sub-
21	paragraph (A).
22	"(2) The term 'city' has the meaning given
23	such term in section 102 of the Housing and Com-
24	munity Development Act of 1974.
25	"(3) The term 'eligible public entity' has the
26	meaning given such term in section 1061(b).

1	"(4) The term 'eligible residential unit' means
2	an eligible facility under paragraph (5)(A).
3	"(5) The term 'eligible facility' means—
4	"(A) a dwelling unit in target housing
5	that—
6	"(i) complies with the requirements of
7	section 1066(a); and
8	"(ii) is not federally owned housing,
9	federally assisted housing, or public hous-
10	ing; or
11	"(B) a child day-care structure constructed
12	prior to 1978.
13	"(6) The term 'emergency measures' means
14	measures to correct identified exposure hazards
15	posed by deteriorated paint, lead-contaminated dust,
16	or lead-contaminated soil at eligible residential units
17	occupied by families whose members include (A) a
18	child who is less than 6 years of age, or (B) a preg-
19	nant female.
20	"(7) The term 'Fund' means the Lead Abate-
21	ment Trust Fund established in section 9512 of the
22	Internal Revenue Code of 1986.
23	"(8) The term 'grant amounts' means amounts
24	received under a grant under this subtitle.

- "(9) The term 'local lead-based paint law' means any law, ordinance, or code that expressly provides protection of individuals from hazards posed by lead-based paint in dwelling units.
  - "(10) The terms 'low-income family' and 'very low-income family' have the meanings given such terms in section 104 of the Cranston-Gonzalez National Affordable Housing Act.
    - "(11) The term 'post-abatement clearance testing' means testing required before occupancy of an abated unit in accordance with regulations implementing title IV of the Toxic Substances Control Act.
    - "(12) The term 'public entity' means a State, urban county, or city.
    - "(13) The term 'standard allotment' means the allotment made for eligible public entities under section 1061(a)(1).
    - "(14) The term 'State' means each of the several States, the District of Columbia, and each of the Commonwealth of Puerto Rico, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, and the Trust Territory of the Pacific Islands.

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- "(15) The term 'supplemental allotment' means the portion of a total allotment in the amount determined in accordance with section 1069(d).
- 4 "(16) The term 'total allotment' means the allotment made under section 1061(a)(2).
- 6 "(17) The term 'urban county' has the meaning 7 given such term in section 102 of the Housing and 8 Community Development Act of 1974, except that in 9 determining whether 200,000 or more individuals re-10 side in the county, the population of any metropoli-11 tan cities (as defined in such section) in the county 12 shall be included.

### 13 "SEC. 1074. AUTHORIZATION OF APPROPRIATIONS.

- "There is authorized to be appropriated from the Lead Abatement Trust Fund the amounts required to be paid to eligible public entities under sections 1061.
- 17 "SEC. 1075. REGULATIONS.
- 18 "(a) IN GENERAL.—The Secretary shall issue any
- 19 regulations necessary to carry out this subtitle. Such regu-
- 20 lations shall include regulations regarding the content and
- 21 submission of plans under section 1067.
- 22 "(b) REQUIREMENTS.—The Secretary shall issue the
- 23 regulations required in subsection (a) through rulemaking
- 24 in accordance with the procedures established under sec-
- 25 tion 553 of title 5, United States Code, regarding sub-

- 1 stantive rules. Such regulations shall be issued not later
- 2 than the expiration of the 12-month period beginning on
- 3 the date of the enactment of the Lead-Based Paint Haz-
- 4 ard Abatement Trust Fund Act of 1993.
- 5 "(c) Rule of Construction.—Any failure by the
- 6 Secretary to issue any regulations required under this sec-
- 7 tion shall not affect the effectiveness of the provisions of
- 8 this subtitle.".
- 9 (b) CLERICAL AMENDMENT.—The table of contents
- 10 in section 1(b) of the Housing and Community Develop-
- 11 ment Act of 1992 is amended by striking the items relat-
- 12 ing to subtitle E of title X and section 1061 and inserting
- 13 the following new items:
  - "Subtitle E—Entitlement Program for Formula Grants for Lead-Based Paint Hazard Reduction
    - "Sec. 1061. Allotments for States and certain political subdivisions.
    - "Sec. 1062. Lead abatement trust fund; entitlement status of grants.
    - "Sec. 1063. Requirement of matching funds.
    - "Sec. 1064. Use of grants.
    - "Sec. 1065. Requirements of eligible public entities.
    - "Sec. 1066. Continued use of eligible residential structures as affordable housing.
    - "Sec. 1067. Plan regarding activities of grantee.
    - "Sec. 1068. Annual reports to Secretary."
    - "Sec. 1069. Determination of amount of allotment.
    - "Sec. 1070. Citizens' suits.
    - "Sec. 1071. Evaluation of program; reports to Congress.
    - "Sec. 1072. Use of trust fund amounts for evaluation and administration.
    - "Sec. 1073. Definitions.
    - "Sec. 1074. Authorization of appropriations.
    - "Sec. 1075. Regulations.

#### "Subtitle F-Reports

"Sec. 1081. Reports of the Secretary of Housing and Urban Development.".

1	SEC. 4. EXCISE TAX ON LEAD AND LEAD PRODUCTS.
2	(a) IN GENERAL.—Chapter 38 of the Internal Reve-
3	nue Code of 1986 (relating to environmental taxes) is
4	amended by adding at the end thereof the following new
5	subchapter:
6	"Subchapter E—Lead and Lead Products
	"Sec. 4686. Lead and lead products.
7	"SEC. 4686. LEAD AND LEAD PRODUCTS.
8	"(a) GENERAL RULE; RATE.—There is hereby im-
9	posed a tax of 45 cents per pound on—
10	"(1) lead removed from any United States
11	smelter, and
12	"(2) lead and lead in any taxable lead product
13	entered into the United States for consumption, use
14	or warehousing.
15	"(b) Liability for Tax.—
16	"(1) Removal.—The tax imposed by sub-
17	section (a)(1) shall be paid by the operator of the
18	United States smelter.
19	"(2) Importation.—The tax imposed by sub-
20	section (a)(2) shall be paid by the person entering
21	the lead or taxable lead product into the United
22	States for consumption, use, or warehousing.

 $\hbox{``(c) Definitions.} \hbox{$-$For purposes of this subchapter:}\\$ 

1	"(1) Primary Lead.—The term 'primary lead'
2	means lead that has not been previously used in any
3	finished or unfinished product.
4	"(2) Secondary Lead.—The term 'secondary
5	lead' means lead that has been previously used in
6	any finished or unfinished product.
7	"(3) Taxable lead products.—The term
8	'taxable lead products' means any product more
9	than 0.06 percent of the dry weight of which is at-
10	tributable to lead.
11	"(4) United states smelter.—The term
12	'United States smelter' means any facility in the
13	United States at which primary or secondary lead is
14	smelted.
15	"(d) Credit or Refund for Exports of Lead
16	or Taxable Lead Products.—
17	"(1) In general.—If—
18	"(A) tax was imposed by this section with
19	respect to any lead, and
20	"(B)(i) such lead was exported by any per-
21	son, or
22	"(ii) such lead was used as a material in
23	the manufacture or production of any taxable
24	lead product which was exported by any person,

- 1 credit or refund (without interest) shall be allowed
- 2 or made to the person who paid such tax.
- 3 "(2) CONDITIONS OF ALLOWANCE.—Rules simi-
- lar to the rules of section 4662(e)(2)(B) shall apply
- 5 for purposes of this subsection.
- 6 "(3) Refunds directly to exporter.—
- Rules similar to the rules of section 4662(e)(3) shall
- 8 apply for purposes of this subsection.
- 9 "(e) TERMINATION.—No tax shall be imposed by this
- 10 section after the 10-year period beginning on the date of
- 11 the enactment of this section.".
- 12 (b) CLERICAL AMENDMENT.—The table of sub-
- 13 chapters for chapter 38 of such Code is amended by add-
- 14 ing at the end thereof the following new item:

"Subchapter E. Lead or lead products".

#### 15 SEC. 5. LEAD ABATEMENT TRUST FUND.

- 16 (a) IN GENERAL.—Subchapter A of chapter 98 of the
- 17 Internal Revenue Code of 1986 (relating to trust fund)
- 18 is amended by adding at the end thereof the following new
- 19 section:

#### $20\,\,$ "SEC. 9512. LEAD ABATEMENT TRUST FUND.

- 21 "(a) Creation of Trust Fund.—There is hereby
- 22 established in the Treasury of the United States a trust
- 23 fund to be known as the 'Lead Abatement Trust Fund',
- 24 consisting of such amounts as may be credited to such
- 25 trust fund as provided in this section or section 9602(b).

- 1 "(b) Credits to Trust Fund.—There are hereby
- 2 credited to the Lead Abatement Trust Fund amounts
- 3 equivalent to the taxes received in the Treasury under sec-
- 4 tion 4686 (relating to tax on lead and lead products) and
- 5 any amounts recovered by the Secretary pursuant to sec-
- 6 tion 1066(d)(2) of the Housing and Community Develop-
- 7 ment Act of 1992.
- 8 "(c) Expenditures From Trust Fund.—
- 9 "(1) IN GENERAL.—Amounts in the Lead
- 10 Abatement Trust Fund shall be available for pur-
- poses of making grants under sections 1061 and
- 12 1069(d) of the Housing and Community Develop-
- ment Act of 1992 and for administrative cost as
- provided in section 1072 of such Act, but shall not
- be available for any other purpose.
- 16 "(2) Transfers for credits and re-
- 17 FUNDS.—The Secretary shall pay from time to time
- from the Lead Abatement Trust Fund amounts
- 19 equivalent to the credits allowed and refunds made
- 20 under section 4684(d).".
- 21 (b) CLERICAL AMENDMENT.—The table of sections
- 22 for such subchapter A is amended by adding at the end
- 23 thereof the following new item:

"Sec. 9512. Lead Abatement Trust Fund.".

#### SEC. 6. EFFECTIVE DATES.

- 2 (a) FORMULA GRANTS.—The amendments made by
- 3 section 3 shall take effect October 1, 1994, or upon the
- 4 date of the enactment of this Act, whichever occurs later.
- 5 (b) Imposition of Excise Tax; Establishment
- 6 OF FUND.—The amendments made by sections 4 and 5
- 7 shall take effect upon the date of the enactment of this
- 8 Act.

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HR 2479 SC——4