

109TH CONGRESS
2^D SESSION

H. R. 6115

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 28, 2006

Received

NOVEMBER 13, 2006

Read twice and referred to the Committee on Banking, Housing, and Urban
Affairs

AN ACT

To extend the authority of the Secretary of Housing and
Urban Development to restructure mortgages and rental
assistance for certain assisted multifamily housing.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Mark-to-Market Ex-
3 tension Act of 2006”.

4 **SEC. 2. REAUTHORIZATION.**

5 Section 579 of the Multifamily Assisted Housing Re-
6 form and Affordability Act of 1997 (42 U.S.C. 1437f
7 note) is amended—

8 (1) in subsection (a)(1), by striking “October 1,
9 2006” and inserting “October 1, 2011”; and

10 (2) in subsection (b), by striking “October 1,
11 2006” and inserting “October 1, 2011”.

12 **SEC. 3. EXCEPTION RENTS.**

13 Section 514(g)(2)(A) of the Multifamily Assisted
14 Housing Reform and Affordability Act of 1997 (42 U.S.C.
15 1437f note) is amended by striking “five percent” and in-
16 serting “nine percent”.

17 **SEC. 4. PERIOD OF ELIGIBILITY FOR NONPROFIT DEBT RE-
18 LIEF.**

19 Section 517(a)(5) of the Multifamily Assisted Hous-
20 ing Reform and Affordability Act of 1997 (42 U.S.C.
21 1437f note) is amended by inserting before the period at
22 the end the following: “: *Provided*, That if such purchaser
23 acquires such project subsequent to the date of recorda-
24 tion of the affordability agreement described in section
25 514(e)(6), (A) such purchaser must acquire such project
26 on or before the later of (i) five years after the date of

1 recordation of the affordability agreement and (ii) two
2 years after the date of enactment of this title; and (B)
3 the Secretary must have received, and determined accept-
4 able, such purchaser’s application for modification, assign-
5 ment or forgiveness prior to such purchaser’s acquisition
6 of the project”.

7 **SEC. 5. DEFINITIONS.**

8 Section 512 of the Multifamily Assisted Housing Re-
9 form and Affordability Act of 1997 (42 U.S.C. 1437f
10 note) is amended by adding at the end the following new
11 paragraph:

12 “(20) DISASTER-DAMAGED ELIGIBLE
13 PROJECT.—The term ‘disaster-damaged eligible
14 project’ means an eligible multifamily housing
15 project—

16 “(A) that is located in a county that was
17 declared a major disaster area on or after Jan-
18 uary 1, 2005, by the President pursuant to the
19 Robert T. Stafford Disaster Relief and Emer-
20 gency Assistance Act (42 U.S.C. 5121 et seq);

21 “(B) whose owner carried casualty and li-
22 ability insurance covering such project in
23 amounts required by the Secretary;

24 “(C) that suffered damages not covered by
25 such insurance that the Secretary determines

1 are likely to exceed \$5,000 per unit in connec-
2 tion with the natural disaster that was the sub-
3 ject of such designation; and

4 “(D) whose owner requests restructuring
5 within two years following the date that such
6 damages were incurred.

7 Disaster-damaged eligible projects shall be eligible
8 without regard to the relationship between rent level
9 for the assisted units and comparable market
10 rents.”.

11 **SEC. 6. DISASTER-DAMAGED ELIGIBLE PROJECTS.**

12 (a) MARKET RENT DETERMINATIONS.—Subpara-
13 graph (B) of section 514(g)(1) of the Multifamily Assisted
14 Housing Reform and Affordability Act of 1997 (42 U.S.C.
15 1437f note) is amended to read as follows:

16 “(B) if those rents cannot be determined—

17 “(i) with respect to a disaster-dam-
18 aged eligible project, are equal to 100 per-
19 cent of the fair market rents for the rel-
20 evant market area (in effect at the time of
21 such disaster); and

22 “(ii) with respect to other eligible
23 multifamily housing projects, are equal to
24 90 percent of the fair market rents for the
25 relevant market area.”.

1 (b) OWNER INVESTMENT.—Section 517(e) of the
2 Multifamily Assisted Housing Reform and Affordability
3 Act of 1997 (42 U.S.C. 1437f note) is amended by adding
4 at the end the following new paragraph:

5 “(3) PROPERTIES DAMAGED BY NATURAL DIS-
6 ASTERS.—With respect to a disaster-damaged eligi-
7 ble project, the owner contribution toward rehabilita-
8 tion needs shall be determined in accordance with
9 paragraph (2)(C).”.

Passed the House of Representatives September 27,
2006.

Attest:

KAREN L. HAAS,

Clerk.