

118TH CONGRESS
2D SESSION

H. R. 9356

To require the Secretary of the Treasury to establish a pilot program to provide grants to eligible grantees to use for the purpose of providing low-interest construction loans to eligible entities.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 13, 2024

Ms. SCHRIER introduced the following bill; which was referred to the
Committee on Financial Services

A BILL

To require the Secretary of the Treasury to establish a pilot program to provide grants to eligible grantees to use for the purpose of providing low-interest construction loans to eligible entities.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Lasting Home Afford-
5 ability Act of 2024”.

6 **SEC. 2. LASTING HOME AFFORDABILITY FUND.**

7 (a) IN GENERAL.—The Secretary of the Treasury
8 shall, not later than 90 days year after the date of the

1 enactment of this section, establish a program to provide
2 grants to eligible grantees to use for the purpose of pro-
3 viding low-interest construction loans to eligible entities.

4 (b) APPLICATION BY ELIGIBLE GRANTEEES.—To be
5 eligible to receive amounts under this section, an eligible
6 grantee shall submit an application at such time and in
7 such manner as the Secretary may reasonably require, in-
8 cluding a detailed description of—

9 (1) how the eligible grantee intends to use any
10 amounts provided under this section; and

11 (2) the qualifications such eligible grantee has
12 that will allow such eligible grantee to successfully
13 administer a grant under this section.

14 (c) USE OF AMOUNTS BY ELIGIBLE GRANTEEES.—

15 (1) IN GENERAL.—Any eligible grantee that re-
16 ceives amounts under this section shall use such
17 amounts to establish a revolving fund and provide
18 low-interest construction loans to 1 or more eligible
19 entities.

20 (2) LOAN REQUIREMENTS.—

21 (A) IN GENERAL.—Loans provided by an
22 eligible grantee to an eligible entity using
23 amounts provided under this section shall—

24 (i) have an interest rate of not more
25 than 3 percent; and

1 (ii) have an origination fee of not
2 more than 1 percent of the amount of the
3 loan.

4 (B) LIQUIDITY REQUIREMENTS.—An eligi-
5 ble grantee may not require an eligible entity to
6 have more than 10 percent of any amount to be
7 loaned as a prerequisite for providing such loan.

8 (d) USE OF ELIGIBLE AMOUNTS BY ELIGIBLE ENTI-
9 TIES.—An eligible entity may use amounts loaned by an
10 eligible grantee for costs associated with the construction
11 or rehabilitation of housing intended to be purchased and
12 used as a primary residence, including materials, labor
13 (including contractor fees), land development (including
14 demolition and grading), permit and developer fees, on-
15 site infrastructure costs (including the installation of
16 roads, water, electrical, sewer, storm drainage, and side-
17 walks); and predevelopment (including architectural costs
18 and engineering costs).

19 (e) AFFORDABILITY REQUIREMENT.—An eligible en-
20 tity that uses amounts loaned under this section to con-
21 struct or rehabilitate a property may only sell such prop-
22 erty to a household who's income is less than or equal to
23 120 percent of the area median income and shall ensure
24 that if the property is subsequently sold during the 30-
25 year period after the date on which the eligible entity sold

1 the property that the property is only sold to households
2 who's income is less than or equal to 120 percent of the
3 area median income.

4 (f) RULEMAKING.—The Secretary may issues rules to
5 carry out this section.

6 (g) AUTHORIZATION OF APPROPRIATIONS.—There is
7 authorized to be appropriated to the Secretary,
8 \$100,000,000 for fiscal year 2025 to carry out this sec-
9 tion.

10 (h) DEFINITIONS.—In this section:

11 (1) ELIGIBLE ENTITY.—The term “eligible enti-
12 ty” means a State, a unit of local government, an
13 instrumentality of a State or unit of local govern-
14 ment, or a nonprofit organization, including a com-
15 munity land trust, that uses ground leases, deed re-
16 strictions, and other similar mechanisms when sell-
17 ing a property owned by the eligible entity to—

18 (A) maintain the property as affordable for
19 households who's income does not exceed 120
20 percent of area median income;

21 (B) apply a resale formula that limits the
22 buyers proceeds upon resale to allow for a fair
23 and equitable return while ensuring the home is
24 affordable for subsequent qualified homebuyers;
25 and

1 (C) provides the State, unit of local gov-
2 ernment, instrumentality of such State or unit
3 of local government, or nonprofit organization a
4 preemptive option to purchase the property
5 from the buyer if the buyer chooses to sell the
6 property in the future.

7 (2) ELIGIBLE GRANTEE.—The term “eligible
8 grantee” means—

9 (A) any agency of a State; or

10 (B) any authority chartered by a State to
11 help meet affordable housing needs of the resi-
12 dents of the State.

13 (3) SECRETARY.—The term “Secretary” means
14 the Secretary of the Treasury.

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