

119TH CONGRESS  
1ST SESSION

# H. R. 6337

To increase the supply of affordable housing in America.

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## IN THE HOUSE OF REPRESENTATIVES

DECEMBER 1, 2025

Mrs. MCCLAIN (for herself and Mr. HIMES) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committees on Transportation and Infrastructure, Veterans' Affairs, Appropriations, Agriculture, Energy and Commerce, the Budget, and Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To increase the supply of affordable housing in America.

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 “Renewing Opportunity  
5       in the American Dream to Housing Act of 2025” or the  
6       “ROAD to Housing Act of 2025”.

7       **SEC. 2. TABLE OF CONTENTS.**

8       The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

## TITLE I—IMPROVING FINANCIAL LITERACY

Sec. 101. Reforms to housing counseling and financial literacy programs.

## TITLE II—BUILDING MORE IN AMERICA

- Sec. 201. Rental assistance demonstration program.
- Sec. 202. Increasing housing in opportunity zones.
- Sec. 203. Housing Supply Frameworks Act.
- Sec. 204. Whole-Home Repairs Act.
- Sec. 205. Community Investment and Prosperity Act.
- Sec. 206. Build Now Act.
- Sec. 207. Better Use of Intergovernmental and Local Development (BUILD) Housing Act.
- Sec. 208. Unlocking Housing Supply Through Streamlined and Modernized Reviews Act.
- Sec. 209. Innovation Fund.
- Sec. 210. Accelerating Home Building Act.
- Sec. 211. Build More Housing Near Transit Act.
- Sec. 212. Revitalizing Empty Structures Into Desirable Environments (RE-SIDE) Act.
- Sec. 213. Housing Affordability Act.

## TITLE III—MANUFACTURED HOUSING FOR AMERICA

- Sec. 301. Housing Supply Expansion Act.
- Sec. 302. Modular Housing Production Act.
- Sec. 303. Property Improvement and Manufactured Housing Loan Modernization Act.
- Sec. 304. Price Act.

## TITLE IV—ACCESSING THE AMERICAN DREAM

- Sec. 401. Creating incentives for small dollar loan originators.
- Sec. 402. Small dollar mortgage points and fees.
- Sec. 403. Appraisal Industry Improvement Act.
- Sec. 404. Helping More Families Save Act.
- Sec. 405. Choice in Affordable Housing Act.

## TITLE V—PROGRAM REFORM

- Sec. 501. Reforming Disaster Recovery Act.
- Sec. 502. HOME Investment Partnerships Reauthorization and Improvement Act.
- Sec. 503. Rural Housing Service Reform Act.
- Sec. 504. New Moving to Work cohort.
- Sec. 505. Reducing Homelessness Through Program Reform Act.
- Sec. 506. Incentivizing local solutions to homelessness.

## TITLE VI—VETERANS AND HOUSING

- Sec. 601. VA Home Loan Awareness Act.
- Sec. 602. Veterans Affairs Loan Informed Disclosure (VALID) Act.
- Sec. 603. Housing Unhoused Disabled Veterans Act.

## TITLE VII—OVERSIGHT AND ACCOUNTABILITY

- Sec. 701. Requiring annual testimony and oversight from housing regulators.

Sec. 702. FHA reporting requirements on safety and soundness.  
 Sec. 703. United States Interagency Council on Homelessness oversight.  
 Sec. 704. NeighborWorks Accountability Act.  
 Sec. 705. Appraisal Modernization Act.

#### TITLE VIII—COORDINATION, STUDIES, AND REPORTING

Sec. 801. HUD-USDA-VA Interagency Coordination Act.  
 Sec. 802. Streamlining Rural Housing Act.  
 Sec. 803. Improving self-sufficiency of families in HUD-subsidized housing.

## 1 **TITLE I—IMPROVING FINANCIAL** 2 **LITERACY**

### 3 **SEC. 101. REFORMS TO HOUSING COUNSELING AND FINAN-** 4 **CIAL LITERACY PROGRAMS.**

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

8 (1) in subsection (a)(4)(C), by striking “ade-  
 9 quate distribution” and all that follows through  
 10 “foreclosure rates” and inserting “that the recipi-  
 11 ents are geographically diverse and include organiza-  
 12 tions that serve urban or rural areas”;

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

15 “(6) PERFORMANCE REVIEW.—The Secretary—

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

17 and

18 “(B) shall conduct performance reviews of  
 19 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 assist-

1           ance under this section for pre-purchase hous-  
2           ing counseling, the Secretary may consider the  
3           performance of the counselor compared to the  
4           default rate of all counseled borrowers of a cov-  
5           ered mortgage loan in comparable markets and  
6           such other factors as the Secretary determines  
7           appropriate to further the purposes of this sec-  
8           tion.

9           “(8) CERTIFICATION.—If, based on the com-  
10          parison required under paragraph (7)(B), the Sec-  
11          retary determines that a counselor lacks competence  
12          to provide counseling in the areas described in sub-  
13          section (e)(2) and such action will not create a sig-  
14          nificant loss of capacity for housing counseling serv-  
15          ices in the service area, the Secretary may—

16               “(A) require continued education coupled  
17               with successful completion of a probationary pe-  
18               riod;

19               “(B) require retesting if the counselor con-  
20               tinues to demonstrate a lack of competence  
21               under paragraph (7)(B); and

22               “(C) permanently suspend an individual  
23               certification if a counselor fails to demonstrate  
24               competence after not fewer than 2 retesting op-  
25               portunities under subparagraph (B).”;

1 (3) in subsection (i)—

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

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

6 “(3) TERMINATION OF ASSISTANCE.—

7 “(A) IN GENERAL.—The Secretary may  
8 deny renewal of covered assistance to an organi-  
9 zation or entity receiving covered assistance if  
10 the Secretary determines that the organization  
11 or entity, or the individual through which the  
12 organization or entity provides counseling, is  
13 not in compliance with program requirements—

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

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

18 “(B) NOTICE.—The Secretary shall give  
19 an organization or entity receiving covered as-  
20 sistance not less than 60 days prior written no-  
21 tice of any denial of renewal under this para-  
22 graph, and the determination of renewal shall  
23 not be finalized until the end of that notice pe-  
24 riod.

1           “(C) INFORMAL CONFERENCE.—If re-  
 2           requested in writing by the organization or entity  
 3           within the notice period described in subpara-  
 4           graph (B), the organization or entity shall be  
 5           entitled to an informal conference with the Dep-  
 6           uty Assistant Secretary of Housing Counseling  
 7           on behalf of the Secretary at which the organi-  
 8           zation or entity may present for consideration  
 9           of specific factors that the organization or enti-  
 10          ty believes were beyond the control of the orga-  
 11          nization or entity and that caused the failure to  
 12          comply with program requirements, such as a  
 13          lack of lender or servicer coordination or com-  
 14          munication with housing counseling agencies  
 15          and individual counselors.”; and

16          (4) by adding at the end the following:

17          “(j) OFFERING FORECLOSURE MITIGATION COUN-  
 18          SELING.—

19               “(1) COVERED MORTGAGE LOAN DEFINED.—In  
 20          this subsection, the term ‘covered mortgage loan’  
 21          means any loan which is secured by a first or subor-  
 22          dinate lien on residential real property (including in-  
 23          dividual units of condominiums) or stock or member-  
 24          ship in a cooperative ownership housing corporation

1 designed principally for the occupancy of between 1  
2 and 4 families that is—

3 “(A) insured by the Federal Housing Ad-  
4 ministration under title II of the National  
5 Housing Act (12 U.S.C. 1707 et seq.);

6 “(B) guaranteed under section 184 or  
7 184A of the Housing and Community Develop-  
8 ment Act of 1992 (12 U.S.C. 1715z–13a,  
9 1715z–13b);

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

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

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

19 “(3) COST.—If the requirements of sections  
20 202(a)(3) and 205(f) of the National Housing Act  
21 (12 U.S.C. 1708(a)(3), 1711(f)) are met, the fair  
22 market rate cost of counseling for delinquent bor-  
23 rowers described in paragraph (2) with respect to a  
24 covered mortgage loan described in paragraph  
25 (1)(A) shall be paid for by the Mutual Mortgage In-



1       surance Fund, as authorized under section 203(r)(4)  
 2       of the National Housing Act (12 U.S.C.  
 3       1709(r)(4)).”.

4       **TITLE II—BUILDING MORE IN**  
 5       **AMERICA**

6       **SEC. 201. RENTAL ASSISTANCE DEMONSTRATION PRO-**  
 7       **GRAM.**

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

12           (1) in the second proviso, by striking “until  
 13           September 30, 2029” and inserting “for fiscal year  
 14           2012 and each fiscal year thereafter”;

15           (2) by striking the fourth proviso;

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

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

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

6           (6) by striking “vouchers to project-based  
7           vouchers.” and inserting “vouchers to project-based  
8           vouchers: *Provided further*, That the Secretary shall  
9           annually assess and publish findings regarding the  
10          impact of the conversion of assistance under the  
11          First Component of the demonstration with respect  
12          to the preservation and improvement of public hous-  
13          ing, the amount of private sector leveraging result-  
14          ing from such conversion transactions, the preva-  
15          lence of pre-conversion residents remaining in or re-  
16          turning to the property following conversion, and the  
17          effect of such conversion on tenants, including the  
18          impact of such conversion on the rights maintained  
19          by tenants as enumerated in regulations and other  
20          documents conferring rights upon tenants as devel-  
21          oped by the Secretary, and other matters the Sec-  
22          retary may determine appropriate: *Provided further*,  
23          That the Secretary may take remedial action or  
24          impose civil money penalties or other administrative  
25          sanctions for material violations of a requirement

1 under the demonstration: *Provided further*, That  
2 nothing in the matter under this heading shall be  
3 construed to diminish, impair, or otherwise affect  
4 the rights of property owners or tenants as enumer-  
5 ated in current law and regulations: *Provided fur-*  
6 *ther*, That all property owner rights, including those  
7 related to ownership, management, and contractual  
8 obligations, shall continue to apply and be respected  
9 following a Rental Assistance Demonstration Pro-  
10 gram conversion: *Provided further*, That all tenant  
11 protections and rights established in current law and  
12 regulations shall remain fully in effect for properties  
13 converted under the Rental Assistance Demonstra-  
14 tion Program.”.

15 **SEC. 202. INCREASING HOUSING IN OPPORTUNITY ZONES.**

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

21 (b) PRIORITY.—When awarding a covered grant, the  
22 Secretary of Housing and Urban Development may give  
23 additional weight to applicants located in, or that pri-  
24 marily serve, a community that has been designated as

1 a qualified opportunity zone under section 1400Z–1 of the  
2 Internal Revenue Code of 1986.

3 **SEC. 203. HOUSING SUPPLY FRAMEWORKS ACT.**

4 (a) FINDINGS.—Congress finds the following:

5 (1) The United States is facing a housing sup-  
6 ply shortage. This housing supply shortage has re-  
7 sulted in a record number of cost-burdened house-  
8 holds across regions and spanning the large and  
9 small cities, towns, and coastal and rural commu-  
10 nities of the United States.

11 (2) Several factors contribute to the under-  
12 supply of housing in the United States, particularly  
13 workforce housing, including rising costs of con-  
14 struction, a shortage of labor, supply chain disrup-  
15 tions, and a lack of reliable funding sources.

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

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

24 (5) While land use regulation is the responsi-  
25 bility of State and local governments, there is Fed-

1       eral support for necessary reforms, and there is an  
2       opportunity for the Federal Government to provide  
3       support and assistance to State and local govern-  
4       ments that wish to undertake necessary reforms in  
5       a manner that fits their communities' needs.

6           (6) Therefore, zoning ordinances or systems of  
7       land use regulation that have the intent or effect of  
8       restricting housing opportunities based on economic  
9       status or income without interests that are substan-  
10      tial, legitimate, nondiscriminatory and that outweigh  
11      the regional need for housing are contrary to the re-  
12      gional and national interest.

13      (b) DEFINITIONS.—In this section:

14           (1) AFFORDABLE HOUSING.—The term “afford-  
15      able housing” means housing for which the monthly  
16      payment is not more than 30 percent of the monthly  
17      income of the household.

18           (2) ASSISTANT SECRETARY.—The term “Assist-  
19      ant Secretary” means the Assistant Secretary for  
20      Policy Development and Research of the Depart-  
21      ment of Housing and Urban Development.

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

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

3           (5) STATE ZONING FRAMEWORK.—The term  
4       “State zoning framework” means the State legisla-  
5       tion or State agency and department procedures, or  
6       such legislation or procedures in an insular area of  
7       the United States, enabling local planning and zon-  
8       ing authorities and establishing and guiding related  
9       policies and programs.

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

12           (1) ESTABLISHMENT.—Not later than 3 years  
13       after the date of enactment of this Act, the Assist-  
14       ant Secretary shall publish documents outlining  
15       guidelines and best practices to support production  
16       of adequate housing to meet the needs of commu-  
17       nities and provide housing opportunities for individ-  
18       uals at every income level across communities with  
19       respect to—

20                   (A) State zoning frameworks; and

21                   (B) local zoning frameworks.

22           (2) CONSULTATION; PUBLIC COMMENT.—Dur-  
23       ing the 2-year period beginning on the date of enact-  
24       ment of this Act, in developing the guidelines and

1 best practices required under paragraph (1), the As-  
2 sistant Secretary shall—

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

5 (B) establish a task force for the purpose  
6 of providing consultation to draft guidelines  
7 published under subparagraph (A), the mem-  
8 bers of which shall include—

9 (i) planners and architects;

10 (ii) housing developers, including af-  
11 fordable and market-rate housing devel-  
12 opers, manufactured housing developers,  
13 and other business interests;

14 (iii) community engagement experts  
15 and community members impacted by zon-  
16 ing decisions;

17 (iv) public housing authorities and  
18 transit authorities;

19 (v) members of local zoning and plan-  
20 ning boards and local and regional trans-  
21 portation planning organizations;

22 (vi) State officials responsible for  
23 housing or land use, including members of  
24 State zoning boards of appeals;

25 (vii) academic researchers; and

1 (viii) home builders.

2 (3) CONTENTS.—The guidelines and best prac-  
3 tices required under paragraph (1) shall—

4 (A) with respect to State zoning frame-  
5 works, outline potential models for updated  
6 State enabling legislation or State agency and  
7 department procedures;

8 (B) include recommendations regarding—

9 (i) the reduction or elimination of  
10 parking minimums;

11 (ii) the increase in maximum floor  
12 area ratio requirements and maximum  
13 building heights and the reduction in min-  
14 imum lot sizes and set-back requirements;

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

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

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



- 1 (vi) provisions regarding review of by-  
2 right development proposals to streamline  
3 review and reduce uncertainty, including—  
4 (I) nondiscretionary, ministerial  
5 review; and  
6 (II) entitlement and design re-  
7 view processes;  
8 (vii) the reduction of obstacles, regu-  
9 latory or otherwise, to a range of housing  
10 types at all levels of affordability, including  
11 manufactured and modular housing;  
12 (viii) State model zoning regulations  
13 for directing local reforms, including mech-  
14 anisms to encourage adoption;  
15 (ix) provisions to encourage transit-  
16 oriented development, including increased  
17 permissible units per structure and re-  
18 duced minimum lot sizes near existing or  
19 planned public transit stations;  
20 (x) potential reforms to strengthen  
21 the public engagement process;  
22 (xi) reforms to protest petition stat-  
23 utes;  
24 (xii) the standardization, reduction, or  
25 elimination of impact fees;

1 (xiii) cost effective and appropriate  
2 building codes;

3 (xiv) models for community benefit  
4 agreements;

5 (xv) mechanisms to preserve afford-  
6 ability, limit disruption of low-income com-  
7 munities, and prevent displacement of ex-  
8 isting residents;

9 (xvi) with respect to State zoning  
10 frameworks—

11 (I) State model codes for direct-  
12 ing local reforms, including mecha-  
13 nisms to encourage adoption;

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

16 (aa) create a process for de-  
17 velopers or builders requesting a  
18 variance, conditional use, special  
19 permit, zoning district change,  
20 similar discretionary permit, or  
21 otherwise petitioning a local zon-  
22 ing or planning board for a  
23 project including a State-defined  
24 amount of affordable housing to  
25 appeal a rejection to a State body

1 or regional body empowered by  
2 the State; and

3 (bb) establish qualifications  
4 for communities to be exempted  
5 from the appeals process based  
6 on their available stock of afford-  
7 able housing; and

8 (III) streamlining of State envi-  
9 ronmental review policies;

10 (xvii) with respect to local zoning  
11 frameworks—

12 (I) the simplification and stand-  
13 ardization of existing zoning codes;

14 (II) maximum review timelines;

15 (III) best practices for the dis-  
16 position of land owned by local gov-  
17 ernments for affordable housing devel-  
18 opment;

19 (IV) differentiations between best  
20 practices for rural, suburban, and  
21 urban communities, and communities  
22 with different levels of density or pop-  
23 ulation distribution; and

24 (V) streamlining of local environ-  
25 mental 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;

1 (viii) barriers to individuals seeking to  
 2 access affordable housing in growing com-  
 3 munities and communities with economic  
 4 opportunity;

5 (ix) with respect to State zoning  
 6 frameworks—

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

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

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

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

21 (d) ABOLISHMENT OF THE REGULATORY BARRIERS  
 22 CLEARINGHOUSE.—

23 (1) IN GENERAL.—The Regulatory Barriers  
 24 Clearinghouse established pursuant to section 1205

1 of the Housing and Community Development Act of  
2 1992 (42 U.S.C. 12705d) is abolished.

3 (2) REPEAL.—Section 1205 of the Housing and  
4 Community Development Act of 1992 (42 U.S.C.  
5 12705d) is repealed.

6 (e) REPORTING.—

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

12 (A) the States that have adopted rec-  
13 ommendations from the guidelines and best  
14 practices, pursuant to subsection (c);

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

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

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

23 (E) a general summary of the types of up-  
24 dates localities have made to their local zoning  
25 framework;

1 (F) of the States that have adopted a  
2 State zoning framework or recommendations  
3 from the guidelines and best practices, the ef-  
4 fect of such adoptions; and

5 (G) a summary of recommendations that  
6 were routinely not adopted by States or by lo-  
7 calities.

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

12 (A) publish a report that—

13 (i) provides the latest information re-  
14 garding the information described in sub-  
15 paragraphs (A) through (G) of that para-  
16 graph;

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

21 (iii) requests and establishes a public  
22 comment period on the guidelines and best  
23 practices established under subsection (c)  
24 that are routinely not adopted or adopted

1 at significantly lower rates by States and  
2 localities; and

3 (iv) includes other relevant informa-  
4 tion and criteria, as determined by the  
5 Secretary; and

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

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

20 (1) the current state of—

21 (A) the rental and homeowner housing  
22 supply shortage;

23 (B) geographic patterns of that shortage;

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



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

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

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

10 (4) the extent to which jurisdictions have suc-  
11 cessfully implemented zoning or other policy reforms  
12 to increase housing production and supply; and

13 (5) opportunities for increasing coordination be-  
14 tween the Department of Housing and Urban Devel-  
15 opment, the Federal Housing Finance Agency, the  
16 Department of Agriculture, the Department of the  
17 Treasury, and other agencies to address housing  
18 supply.

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

23 (h) RULE OF CONSTRUCTION.—Nothing in this sec-  
24 tion may be construed to permit the Department of Hous-  
25 ing and Urban Development to take an adverse action

1 against or fail to provide otherwise offered actions or serv-  
 2 ices for any State or locality if the State or locality de-  
 3 clines to adopt a guideline or best practice under sub-  
 4 section (c).

5 **SEC. 204. WHOLE-HOME REPAIRS ACT.**

6 (a) DEFINITIONS.—In this section:

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

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

18 (3) ELIGIBLE HOMEOWNER.—The term “eligi-  
 19 ble homeowner” means a homeowner—

20 (A) with a household income that—

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

23 (ii) meets the income eligibility re-  
 24 quirements for receiving assistance or ben-

1           efits under a specified program, as defined  
2           in paragraph (11); and

3           (B) who is—

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

8                 (ii) an owner-occupant of the manu-  
9                 factured home on which repairs are to be  
10                conducted; or

11                (iii) an owner who can demonstrate an  
12                ownership interest in the property on  
13                which repairs are to be conducted, includ-  
14                ing a person who has inherited an interest  
15                in that property.

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

18                 (A) who owns, as determined by the rel-  
19                 evant implementing organization, fewer than 10  
20                 eligible rental properties, with a majority of af-  
21                 fordable units and not more than 50 total units,  
22                 operated as primary residences in which a ma-  
23                 jority ownership interest is held by the indi-  
24                 vidual, the spouse of the individual, or the de-  
25                 pendent children of the individual, or any close-

ly 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 prop-  
erty 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 imple-  
menting organization not later than the date  
that is 3 years after the completion of the re-  
pairs if the eligible landlord has maintained  
compliance with the loan agreement described  
in subsection (b)(3).

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

3                   (A) means a unit of general local govern-  
4           ment or a State that—

5                           (i) will administer a whole-home re-  
6                           pairs program through an agency, depart-  
7                           ment, or other entity; or

8                           (ii) enter into agreements with 1 or  
9                           more local governments, municipal authori-  
10                          ties, other governmental authorities, in-  
11                          cluding a tribally designated housing enti-  
12                          ty, or qualified nonprofit organizations, to  
13                          administer a whole-home repairs program  
14                          as a subrecipient; and

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

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

22           (9) QUALIFIED NONPROFIT.—The term “quali-  
23           fied nonprofit” means a nonprofit organization  
24           that—

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

3 (i) the Community Development Block  
4 Grant program under title I of the Hous-  
5 ing and Community Development Act of  
6 1974 (42 U.S.C. 5301 et seq.);

7 (ii) the HOME Investment Partner-  
8 ships program under subtitle A of title II  
9 of the Cranston-Gonzalez National Afford-  
10 able Housing Act (42 U.S.C. 12741 et  
11 seq.);

12 (iii) the Lead-Based Paint Hazard  
13 Reduction grant program under section  
14 1011 of the Residential Lead-Based Paint  
15 Hazard Reduction Act of 1992 (42 U.S.C.  
16 4852) or a grant under the Healthy  
17 Homes Initiative administered by the Sec-  
18 retary pursuant to sections 501 and 502 of  
19 the Housing and Urban Development Act  
20 of 1970 (12 U.S.C. 1701z-1, 1701z-2);

21 (iv) the Self-Help and Assisted Home-  
22 ownership Opportunity program authorized  
23 under section 11 of the Housing Oppor-  
24 tunity Program Extension Act of 1996 (42  
25 U.S.C. 12805 note);

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

4 (vi) the Neighborhood Reinvestment  
5 Corporation established under the Neigh-  
6 borhood Reinvestment Corporation Act (42  
7 U.S.C. 8101 et seq.);

8 (B) has coordinated, performed, or other-  
9 wise been engaged in weatherization, lead reme-  
10 diation, or home-repair work for not less than  
11 2 years;

12 (C) has been certified by the Environ-  
13 mental Protection Agency, or by a State au-  
14 thorized by the Environmental Protection Agen-  
15 cy to administer a certification program, as—

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

19 (ii) a Home Certification Organization  
20 under the Energy Star program estab-  
21 lished by section 324A of the Energy Pol-  
22 icy and Conservation Act (42 U.S.C.  
23 6294a) or the WaterSense program under  
24 section 324B of that Act (42 U.S.C.  
25 6294b), or recognized or otherwise ap-

1           proved by the Environmental Protection  
2           Agency as a Home Certification Organiza-  
3           tion under either of those programs; or

4           (D) is a community development financial  
5           institution, as defined in section 103 of the  
6           Community Development Banking and Finan-  
7           cial Institutions Act of 1994 (12 U.S.C. 4702).

8           (10) SECRETARY.—The term “Secretary”  
9           means the Secretary of Housing and Urban Develop-  
10          ment.

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

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

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

20               (C) The supplemental security income ben-  
21               efits program established under title XVI of the  
22               Social Security Act (42 U.S.C. 1381 et seq.).

23               (D) The supplemental nutrition assistance  
24               program established under the Food and Nutri-  
25               tion Act of 2008 (7 U.S.C. 2011 et seq.).



1           (E) The temporary assistance for needy  
2 families program established under part A of  
3 title IV of the Social Security Act (42 U.S.C.  
4 601 et seq.).

5           (12) STATE.—The term “State” means—

6                 (A) each State of the United States;

7                 (B) the District of Columbia;

8                 (C) the Commonwealth of Puerto Rico;

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

11                (E) an Indian tribe.

12           (13) TRIBALLY DESIGNATED HOUSING ENTI-  
13 TY.—The term “tribally designated housing entity”  
14 has the meaning given the term in section 4 of the  
15 Native American Housing Assistance and Self-De-  
16 termination Act of 1996 (25 U.S.C. 4103).

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

21                 (A) physical and sensory accessibility for  
22 individuals with disabilities and older adults,  
23 such as bathroom and kitchen modifications, in-  
24 stallation of grab bars and handrails, guards  
25 and guardrails, lifting devices, ramp additions

1 or repairs, sidewalk addition or repair, or door-  
2 way or hallway widening;

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

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

9 (b) PILOT PROGRAM.—

10 (1) ESTABLISHMENT.—Not later than 1 year  
11 after the date of enactment of this Act, the Sec-  
12 retary shall establish a pilot program to provide  
13 grants to implementing organizations to administer  
14 a whole-home repairs program for eligible home-  
15 owners and eligible landlords.

16 (2) USE OF FUNDS.—An implementing organi-  
17 zation that receives a grant under this subsection—

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

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

1                   (ii) be calculated and approved by the  
2                   Secretary;

3                   (B) shall provide loans, which may be for-  
4                   givable, to eligible landlords to implement  
5                   whole-home repairs not covered by other Fed-  
6                   eral home repair programs for individual afford-  
7                   able units, public and common use areas within  
8                   the property, and common structural elements  
9                   up to a maximum amount per unit, area, or ele-  
10                  ment, as applicable, which maximum amount  
11                  should—

12                  (i) reflect local construction costs; and

13                  (ii) be calculated and approved by the  
14                  Secretary;

15                  (C) shall evaluate, or provide assistance to  
16                  eligible homeowners and eligible landlords to  
17                  evaluate, whole-home repair program funds pro-  
18                  vided under this subsection with Federal, State,  
19                  and local home repair programs to provide the  
20                  greatest benefit to the greatest number of eligi-  
21                  ble landlords and eligible homeowners and avoid  
22                  duplication of benefits and redundancies;

23                  (D) shall ensure that—

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

4                   (ii) if repairs are not completed and  
5                   the plan for whole-home repairs is not up-  
6                   dated to reflect the new scope of work,  
7                   that the loan or grant is repaid on a pro-  
8                   rated basis based on completed work; and

9                   (iii) any unused grant or loan balance  
10                  is returned to the implementing organiza-  
11                  tion, and is reused by the implementing or-  
12                  ganization for a new whole-home repair  
13                  grant or loan under this subsection;

14                 (E) may use not more than 5 percent of  
15                 the awarded funds to carry out related func-  
16                 tions, including workforce training for home re-  
17                 pair professions, which shall be related to ef-  
18                 forts to increase the number of home repairs  
19                 performed and approved by the Secretary;

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

23                 (G) shall comply with Federal accessibility  
24                 requirements and standards under applicable  
25                 Federal fair housing and civil rights laws and

1 regulations, including section 504 of the Reha-  
2 bilitation Act of 1973 (29 U.S.C. 794).

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

9 (A) comply with Federal accessibility re-  
10 quirements and standards under applicable  
11 Federal fair housing and civil rights laws and  
12 regulations, including section 504 of the Reha-  
13 bilitation Act of 1973 (29 U.S.C. 794); and

14 (B)(i) if the landlord is renting the as-  
15 sisted units available in the eligible rental prop-  
16 erty to tenants receiving tenant-based rental as-  
17 sistance under section 8(o) of the United States  
18 Housing Act of 1937 (42 U.S.C. 1437f(o)),  
19 under another tenant-based rental assistance  
20 program administered by the Secretary or the  
21 Secretary of Agriculture, or under a tenant-  
22 based rental subsidy provided by a State or  
23 local government, comply with the program re-  
24 quirements under the relevant tenant-based  
25 rental assistance program; or

1           (ii) if the eligible landlord is not renting to  
2 tenants receiving rental-based assistance as de-  
3 scribed in clause (i)—

4           (I)(aa) offer to extend the lease of  
5 current tenants on current terms, other  
6 than the terms described in subclause (iv)  
7 for not less than 3 years beginning after  
8 the completion of the repairs, unless the  
9 lease is terminated due to failure to pay  
10 rent, performance of an illegal act within  
11 the rental unit, or a violation of an obliga-  
12 tion of tenancy that the tenants failed to  
13 correct after notice; and

14           (bb) if the tenant of an assisted unit  
15 moves out of the assisted unit at any point  
16 in the 3-year period following the loan  
17 agreement, maintain the unit as an afford-  
18 able unit for the remainder of the 3-year  
19 period;

20           (II) provide documentation verifying  
21 that the property, upon completion of ap-  
22 proved renovations, has met all applicable  
23 State and local housing and building codes;

24           (III) attest that the landlord has no  
25 known serious violations of renter protec-

1           tions that have resulted in fines, penalties,  
2           or judgments during the preceding 10  
3           years; and

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

9           (4) APPLICATION.—

10                   (A) IN GENERAL.—An implementing orga-  
11           nization desiring an award under this sub-  
12           section shall submit to the Secretary an applica-  
13           tion that includes—

14                   (i) the geographic scope of the whole-  
15           home repairs program to be administered  
16           by the implementing organization, includ-  
17           ing the plan to address need in any rural,  
18           suburban, or urban area within a jurisdic-  
19           tion;

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

22                   (iii) how the implementing organiza-  
23           tion plans to execute the coordination of  
24           Federal, State, and local home repair pro-  
25           grams, including programs administered by

1 the Department of Energy or the Depart-  
2 ment of Agriculture, to increase efficiency  
3 and reduce redundancy;

4 (iv) available data on the need for af-  
5 fordable and quality housing within the ge-  
6 ographic scope of the whole-home repairs  
7 program, and any plans to preserve afford-  
8 ability through the term of the award;

9 (v) how the implementing organization  
10 plans to process and verify applications for  
11 grants from eligible homeowners and appli-  
12 cations for loans from eligible landlords;  
13 and

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

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

20 (i) with respect to applications sub-  
21 mitted by States other than the District of  
22 Columbia and the territories of the United  
23 States, prioritize those applications with a  
24 demonstrated plan to—



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

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

9 (ii) aim to select applicants so that  
10 the awardees collectively span diverse geog-  
11 raphies, with an intent to understand the  
12 impact of the pilot program under this  
13 subsection in urban, suburban, rural, and  
14 Tribal settings; and

15 (iii) not disqualify implementing orga-  
16 nizations that were awarded grants under  
17 the pilot program in prior application cy-  
18 cles.

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

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

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

7                   (B) not more than 1 implementing organi-  
8           zation in any State.

9           (7) LOANS THAT ARE NOT FORGIVEN.—If a  
10          loan made by an implementing organization under  
11          paragraph (2)(B) is not forgiven, the loan repay-  
12          ment funds shall be reused by the implementing or-  
13          ganization for a new whole-home repair grant or  
14          loan under this subsection.

15          (8) SUPPLEMENT, NOT SUPPLANT.—Amounts  
16          awarded under this subsection to implementing orga-  
17          nizations shall supplement, not supplant, other Fed-  
18          eral, State, and local funds made available to those  
19          entities.

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

24                   (A) endeavor to improve efficiency of serv-  
25          ice delivery, as well as the experience of and im-

1           pact on the taxpayer, by encouraging pro-  
2           grammatic collaboration and information shar-  
3           ing across Federal, State, and local programs  
4           for home repair or improvement, including pro-  
5           grams administered by the Department of the  
6           Agriculture; and

7           (B) enhance collaboration and cross-agency  
8           streamlining efforts that reduce the burdens of  
9           multiple income verification processes and ap-  
10          plications on the eligible homeowner, the eligible  
11          landlord, the implementing organization, and  
12          the Federal Government, including by estab-  
13          lishing assistance application procedures for in-  
14          come eligibility under this subsection that rec-  
15          ognize income eligibility determinations for as-  
16          sistance using any of the criteria under sub-  
17          section (a)(3)(A) that have been used for assist-  
18          ance applications during the 1-year period pre-  
19          ceding the date on which an eligible homeowner  
20          or eligible landlord applies for assistance under  
21          this subsection.

22          (10) REPORTING REQUIREMENTS.—

23                (A) ANNUAL REPORT.—An implementing  
24          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 implementation organization has complied with the

1 applicable regulations, including compli-  
2 ance with Federal accessibility require-  
3 ments;

4 (vii) in the first year of receiving a  
5 grant, and as certified in subsequent re-  
6 ports, a comprehensive plan to prevent  
7 waste, fraud, and abuse in the administra-  
8 tion of the pilot program, which shall in-  
9 clude, at a minimum—

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

15 (II) a policy enacted and en-  
16 forced by the implementing organiza-  
17 tion to detect and deter fraudulent ac-  
18 tivity, including fraud occurring in in-  
19 dividual projects and patterns of  
20 fraud by parties involved in the ex-  
21 penditure of funds under this sub-  
22 section;

23 (III) a statement setting forth  
24 any violations detected by the imple-  
25 menting organization during the pre-

1                   vious calendar year, including details  
2                   about steps taken to achieve compli-  
3                   ance and any remedial measures; and  
4                   (IV) a certification by the chief  
5                   executive or most senior compliance  
6                   officer of the organization that the or-  
7                   ganization maintains sufficient staff  
8                   and resources to effectively carry out  
9                   the above-mentioned policies; and  
10                  (viii) such other information as the  
11                  Secretary may require.

12                  (B) REPORTING REQUIREMENT ALIGN-  
13                  MENT.—To limit the costs of implementing the  
14                  pilot program under this subsection, the Sec-  
15                  retary shall endeavor, to the extent possible, to  
16                  structure reporting requirements such that they  
17                  align with the data reporting requirements in  
18                  place for funding streams that implementing or-  
19                  ganizations are likely to use in partnership with  
20                  funding from this subsection, including the re-  
21                  porting requirements under—

22                         (i) the Community Development Block  
23                         Grant program under title I of the Hous-  
24                         ing and Community Development Act of  
25                         1974 (42 U.S.C. 5301 et seq.);

1           (ii) the HOME Investment Partner-  
2           ships program under subtitle A of title II  
3           of the Cranston-Gonzalez National Afford-  
4           able Housing Act (42 U.S.C. 12741 et  
5           seq.);

6           (iii) the Weatherization Assistance  
7           Program for low-income persons estab-  
8           lished under part A of title IV of the En-  
9           ergy Conservation and Production Act (42  
10          U.S.C. 6861 et seq.); and

11          (iv) the Native American Housing As-  
12          sistance and Self-Determination Act of  
13          1996 (25 U.S.C. 4101 et seq.).

14          (C) PILOT PROGRAM PERIOD REPORTS.—

15          Not less frequently than twice during the period  
16          in which the pilot program established under  
17          this subsection operates, the Office of Inspector  
18          General of the Department of Housing and  
19          Urban Development shall complete an assess-  
20          ment of the implementation of measures to en-  
21          sure the fair and legitimate use of the pilot pro-  
22          gram.

23          (D) SUMMARY TO CONGRESS.—The Sec-

24          retary shall submit to the Committee on Bank-  
25          ing, Housing, and Urban Affairs of the Senate

1 and the Committee on Financial Services of the  
2 House of Representatives an annual report pro-  
3 viding a summary of the data provided under  
4 subparagraphs (A) and (C) during the 1-year  
5 period preceding the report and all data pre-  
6 viously provided under those subparagraphs.

7 (11) FUNDING.—The Secretary—

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

14 (B) shall submit to the Committee on Ap-  
15 propriations and the Committee on Banking,  
16 Housing, and Urban Affairs of the Senate and  
17 the Committee on Appropriations and the Com-  
18 mittee on Financial Services of the House of  
19 Representatives a report on the appropriations  
20 accounts from which the Secretary will derive  
21 the funding under subparagraph (A).

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

24 (A) treated as assistance for a special  
25 project for purposes of section 305(c) of the



1 Multifamily Housing Property Disposition Re-  
2 form Act of 1994 (42 U.S.C. 3547); and

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

5 (13) TERMINATION.—The pilot program estab-  
6 lished under this subsection shall terminate on Octo-  
7 ber 1, 2031.

8 **SEC. 205. COMMUNITY INVESTMENT AND PROSPERITY ACT.**

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

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

18 **SEC. 206. BUILD NOW ACT.**

19 (a) DEFINITIONS.—In this section:

20 (1) COVERED RECIPIENT.—The term “covered  
21 recipient” means a metropolitan city or urban coun-  
22 ty, as those terms are defined in section 102 of the  
23 Housing and Community Development Act of 1974  
24 (42 U.S.C. 5302), that receives funds under section  
25 106.

1           (2) CURRENT ANNUAL GROWTH RATE.—The  
2       term “current annual growth rate”, with respect to  
3       an eligible recipient and a fiscal year, means the av-  
4       erage annual percentage increase in the number of  
5       housing units in the jurisdiction of the eligible re-  
6       cipient, as calculated by the Secretary, during the  
7       period—

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

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

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

14          (A)(i) the median Small Area Fair Market  
15       Rent in the jurisdiction of the covered recipient  
16       is at or below the 60th percentile of median  
17       Small Area Fair Market Rents in the jurisdic-  
18       tions of all covered recipients; and

19          (ii) the median home value in the jurisdic-  
20       tion of the covered recipient is below the me-  
21       dian home value for the United States;

22          (B) the annual natural rental vacancy rate  
23       in the jurisdiction of the covered recipient is  
24       greater than the national annual natural rental

1           vacancy rate for the most recent year available,  
2           as published by the Bureau of the Census;

3           (C) during the 1-year period preceding the  
4           date on which the Secretary allocates funds  
5           under section 106, the jurisdiction of the cov-  
6           ered recipient has been the subject of a major  
7           disaster or emergency declaration under section  
8           401 or 501, respectively, of the Robert T. Staf-  
9           ford Disaster Relief and Emergency Assistance  
10          Act (42 U.S.C. 5170, 5191); or

11          (D) the covered recipient lacks the legal  
12          authority to enact or update zoning and permit-  
13          ting ordinances.

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

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

22                 (A) the current annual growth rate of the  
23                 eligible recipient; and

24                 (B) the prior annual growth rate of the eli-  
25                 gible recipient.

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

7                       (A) beginning with the third quarter of the  
8                       11th preceding fiscal year; and

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

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

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

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

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

24                      (2) ADJUSTMENTS.—

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

4 (i) IN GENERAL.—If, with respect to a  
5 fiscal year for which the allocation under  
6 section 106 is being determined, the hous-  
7 ing growth improvement rate for an eligi-  
8 ble recipient is at or above the median  
9 housing growth improvement rate for all  
10 eligible recipients other than extremely  
11 high-growth recipients, or if an eligible re-  
12 cipient is an extremely high-growth recipi-  
13 ent, the Secretary shall allocate to the eli-  
14 gible recipient for that fiscal year, in addi-  
15 tion to the amount that would otherwise be  
16 allocated to the eligible recipient under sec-  
17 tion 106, a bonus amount, as determined  
18 under clause (ii) of this subparagraph.

19 (ii) BONUS AMOUNT.—For purposes  
20 of clause (i), the bonus amount for an eli-  
21 gible recipient for a fiscal year shall be  
22 equal to the product of—

23 (I) the aggregate amount by  
24 which allocations to eligible recipients

1 are decreased under subparagraph (B)  
2 for that fiscal year; and

3 (II) the quotient of—

4 (aa) the number of housing  
5 units, as of the third quarter of  
6 the preceding fiscal year, in the  
7 jurisdiction of the eligible recipi-  
8 ent, as calculated by the Sec-  
9 retary; and

10 (bb) the number of housing  
11 units, as of the third quarter of  
12 the preceding fiscal year, in the  
13 jurisdictions of all eligible recipi-  
14 ents that receive a bonus amount  
15 under this paragraph, as cal-  
16 culated by the Secretary.

17 (B) HOUSING GROWTH IMPROVEMENT  
18 RATE BELOW MEDIAN.—If, with respect to a  
19 fiscal year for which the allocation under sec-  
20 tion 106 is being determined, the housing  
21 growth improvement rate for an eligible recipi-  
22 ent is below the median housing growth im-  
23 provement rate for all eligible recipients other  
24 than high-growth outliers, the Secretary shall  
25 decrease the amount that would otherwise be al-

1 located to the eligible recipient under section  
2 106 for that fiscal year by 10 percent.

3 (c) CALCULATION OF HOUSING UNITS.—

4 (1) HOUSING AND URBAN DEVELOPMENT RE-  
5 QUIREMENTS.—In calculating the number of housing  
6 units in the jurisdiction of an eligible recipient under  
7 any provision of this section, the Secretary shall—

8 (A) use the Current Address Count Listing  
9 Files and other data products, as needed, of the  
10 Bureau of the Census tabulated from the Mas-  
11 ter Address File; and

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

15 (2) CENSUS BUREAU AND POSTAL SERVICE RE-  
16 QUIREMENTS.—The Bureau of the Census and the  
17 United States Postal Service shall provide any rel-  
18 evant data to the Secretary upon request to assist  
19 the Secretary in making a calculation described in  
20 paragraph (1).

21 (3) ADJUSTMENT OF CALCULATION PERIODS.—

22 The Secretary may adjust the calculation periods  
23 under subparagraphs (A) and (B) of subsection  
24 (a)(2), subparagraphs (A) and (B) of subsection  
25 (a)(6), and items (aa) and (bb) of subsection

1 (b)(2)(A)(ii)(II) by not more than 2 months to  
 2 achieve alignment with the data provided by the Bu-  
 3 reau of the Census.

4 (d) ANNUAL REPORT ON HOUSING GROWTH IM-  
 5 PROVEMENT RATE.—Before allocating funds under sec-  
 6 tion 106 for a fiscal year, the Secretary shall publish a  
 7 report that—

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

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

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

14 (B) the eligible recipients for which the al-  
 15 location under section 106 was decreased under  
 16 subsection (b)(2)(B) of this section.

17 (e) NOTIFICATION; IMPLEMENTATION DATES.—

18 (1) NOTIFICATION.—

19 (A) IN GENERAL.—Not later than 60 days  
 20 after the date of enactment of this Act, the Sec-  
 21 retary shall notify each eligible recipient of the  
 22 recipient's housing growth improvement rate  
 23 and whether that housing growth improvement  
 24 rate is above, at, or below the median housing  
 25 growth improvement rate for all eligible recipi-



1           ents other than extremely high-growth recipi-  
2           ents.

3                   (B) GUIDANCE.—As part of the notifica-  
4           tion under subparagraph (A), the Secretary  
5           shall share guidance, including resources devel-  
6           oped by the Department of Housing and Urban  
7           Development, on best practices and rec-  
8           ommendations on policies to reduce regulatory  
9           barriers to housing and increase housing sup-  
10          ply.

11                   (2) IMPLEMENTATION DATES.—Subsection (b)  
12          shall take effect beginning with the second full fiscal  
13          year after the date of enactment of this Act and re-  
14          main in effect through fiscal year 2042.

15 **SEC. 207. BETTER USE OF INTERGOVERNMENTAL AND**  
16 **LOCAL DEVELOPMENT (BUILD) HOUSING**  
17 **ACT.**

18           (a) DESIGNATION OF ENVIRONMENTAL REVIEW  
19 PROCEDURE.—The Department of Housing and Urban  
20 Development Act (42 U.S.C. 3531 et seq.) is amended by  
21 inserting after section 12 (42 U.S.C. 3537a) the following:  
22 **“SEC. 13. DESIGNATION OF ENVIRONMENTAL REVIEW PRO-**  
23 **CEDURE.**

24           “(a) IN GENERAL.—Except as provided in subsection  
25 (b), the Secretary may, for purposes of environmental re-

1 view, decision making, and action pursuant to the Na-  
 2 tional Environmental Policy Act of 1969 (42 U.S.C. 4321  
 3 et seq.), and other provisions of law that further the pur-  
 4 poses of such Act, designate the treatment of assistance  
 5 administered by the Secretary as funds for a special  
 6 project for purposes of section 305(c) of the Multifamily  
 7 Housing Property Disposition Reform Act of 1994 (42  
 8 U.S.C. 3547).

9 “(b) EXCEPTION.—The designation described in sub-  
 10 section (a) shall not apply to assistance for which a proce-  
 11 dure for carrying out the responsibilities of the Secretary  
 12 under the National Environmental Policy Act of 1969 (42  
 13 U.S.C. 4321 et seq.), and other provisions of law that fur-  
 14 ther the purposes of such Act, is otherwise specified in  
 15 law.”.

16 (b) TRIBAL ASSUMPTION OF ENVIRONMENTAL RE-  
 17 VIEW OBLIGATIONS.—Section 305(c) of the Multifamily  
 18 Housing Property Disposition Reform Act of 1994 (42  
 19 U.S.C. 3547) is amended—

20 (1) by striking “State or unit of general local  
 21 government” each place it appears and inserting  
 22 “State, Indian tribe, or unit of general local govern-  
 23 ment”;

24 (2) in paragraph (1)(C), in the heading, by  
 25 striking “STATE OR UNIT OF GENERAL LOCAL GOV-

1       ERNMENT” and inserting “STATE, INDIAN TRIBE, OR  
2       UNIT OF GENERAL LOCAL GOVERNMENT”; and

3               (3) by adding at the end the following:

4               “(5) DEFINITION OF INDIAN TRIBE.—For pur-  
5       poses of this subsection, the term ‘Indian tribe’  
6       means a federally recognized tribe, as defined in sec-  
7       tion 4(13)(B) of the Native American Housing As-  
8       sistance and Self-Determination Act of 1996 (25  
9       U.S.C. 4103(13)(B)).”.

10 **SEC. 208. UNLOCKING HOUSING SUPPLY THROUGH**  
11 **STREAMLINED AND MODERNIZED REVIEWS**  
12 **ACT.**

13       (a) DEFINITIONS.—In this section:

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

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

18               (B) is adequately served by existing utili-  
19       ties and public services as required under appli-  
20       cable law;

21               (C) is located on a site of previously dis-  
22       turbed land of not more than 5 acres and sub-  
23       stantially surrounded by residential or commer-  
24       cial development;

1 (D) will repurpose a vacant or underuti-  
2 lized parcel of land, or a dilapidated or aban-  
3 doned structure; and

4 (E) will serve a residential or commercial  
5 purpose.

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

8 (b) NEPA STREAMLINING FOR HUD HOUSING-RE-  
9 LATED ACTIVITIES.—

10 (1) IN GENERAL.—The Secretary shall, in ac-  
11 cordance with section 553 of title 5, United States  
12 Code, and section 103 of the National Environ-  
13 mental Policy Act of 1969 (42 U.S.C. 4333), expand  
14 and reclassify housing-related activities under the  
15 necessary administrative regulations as follows:

16 (A) The following housing-related activities  
17 shall be subject to regulations equivalent or  
18 substantially similar to the regulations entitled  
19 “exempt activities” as set forth in section 58.34  
20 of title 24, Code of Federal Regulations, as in  
21 effect on January 1, 2025:

22 (i) Tenant-based rental assistance.

23 (ii) Supportive services, including  
24 health care, housing services, permanent  
25 housing placement, day care, nutritional

1 services, short-term payments for rent,  
2 mortgage, or utility costs, and assistance  
3 in gaining access to Federal Government  
4 and State and local government benefits  
5 and services.

6 (iii) Operating costs, including main-  
7 tenance, security, operation, utilities, fur-  
8 nishings, equipment, supplies, staff train-  
9 ing, and recruitment and other incidental  
10 costs.

11 (iv) Economic development activities,  
12 including equipment purchases, inventory  
13 financing, interest subsidies, operating ex-  
14 penses, and similar costs not associated  
15 with construction or expansion of existing  
16 operations.

17 (v) Activities to assist homebuyers to  
18 purchase existing dwelling units or dwell-  
19 ing units under construction, including  
20 closing costs and down payment assistance,  
21 interest rate buydowns, and similar activi-  
22 ties that result in the transfer of title.

23 (vi) Affordable housing pre-develop-  
24 ment costs related to obtaining site op-  
25 tions, project financing, administrative

1 costs and fees for loan commitment, zoning  
2 approvals, and other related activities that  
3 do not have a physical impact.

4 (vii) Approval of supplemental assist-  
5 ance, including insurance or guarantee, to  
6 a project previously approved by the Sec-  
7 retary.

8 (viii) Emergency homeowner or renter  
9 assistance for HVAC, hot water heaters,  
10 and other necessary uses of existing utili-  
11 ties required under applicable law.

12 (B) The following housing-related activities  
13 shall be subject to regulations equivalent or  
14 substantially similar to the regulations entitled,  
15 (i) “categorical exclusions not subject to section  
16 58.5” and (ii) “categorical exclusions not sub-  
17 ject to the Federal laws and authorities cited in  
18 sections 50.4” in section 58.35(b) and section  
19 50.19, respectively of title 24, Code of Federal  
20 Regulations, as in effect on January 1, 2025, if  
21 such activities do not materially alter environ-  
22 mental conditions and do not materially exceed  
23 the original scope of the project:

24 (i) Acquisition, repair, improvement,  
25 reconstruction, or rehabilitation of public

1 facilities and improvements (other than  
2 buildings) if the facilities and improve-  
3 ments are in place and will be retained in  
4 the same use without change in size or ca-  
5 pacity of more than 20 percent, including  
6 replacement of water or sewer lines, recon-  
7 struction of curbs and sidewalks, and re-  
8 paving of streets.

9 (ii) Rehabilitation of 1-to-4 unit resi-  
10 dential buildings, and existing housing-re-  
11 lated infrastructure, such as repairs or re-  
12 habilitation of existing wells, septic, or  
13 utility lines that connect to that housing.

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

19 (iv) Acquisitions (including leasing) or  
20 disposition of, or equity loans on an exist-  
21 ing structure, or acquisition (including  
22 leasing) of vacant land if the structure or  
23 land acquired, financed, or disposed of will  
24 be retained for the same use.

1 (C) The following housing-related activities  
2 shall be subject to regulations equivalent or  
3 substantially similar to the regulations entitled,  
4 (i) “categorical exclusions subject to section  
5 58.5” and (ii) “categorical exclusions subject to  
6 the Federal laws and authorities cited in sec-  
7 tions 50.4” in section 58.35(a) and section  
8 50.20, respectively, of title 24, Code of Federal  
9 Regulations, as in effect on January 1, 2025, if  
10 such activities do not materially alter environ-  
11 mental conditions and do not materially exceed  
12 the original scope of the project:

13 (i) Acquisitions of open space or resi-  
14 dential property, where such property will  
15 be retained for the same use or will be con-  
16 verted to open space to help residents relo-  
17 cate out of an area designated as a high-  
18 risk area by the Secretary.

19 (ii) Conversion of existing office build-  
20 ings into residential development, subject  
21 to—

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



1 (II) a limitation on the change in  
2 building size of not more than 20 per-  
3 cent.

4 (iii) New construction, development,  
5 demolition, acquisition, or disposition on 5  
6 to 15 dwelling units where there is a max-  
7 imum of fifteen units on any 1 site. The  
8 units can be 15 1-unit buildings or 1 15-  
9 unit building, or any combination in be-  
10 tween.

11 (iv) New construction, development,  
12 demolition, acquisition, or disposition on  
13 15 or more housing units developed on  
14 scattered sites when there are not more  
15 than 15 housing units on any 1 site, and  
16 the sites are more than a set number of  
17 feet apart as determined by the Secretary.

18 (v) Rehabilitation of buildings and im-  
19 provements in the case of a building for  
20 residential use with 5 to 15 units, if the  
21 density is not increased beyond 15 units  
22 and the land use is not changed.

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

1 (vii) The voluntary acquisition of  
2 properties—

3 (I) located in a—

4 (aa) floodway;

5 (bb) floodplain; or

6 (cc) other area, clearly delin-  
7 eated by the grantee; and

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

13 (c) REPORT.—The Secretary shall submit to the  
14 Committee on Banking, Housing, and Urban Affairs of  
15 the Senate and the Committee on Financial Services of  
16 the House of Representatives an annual report during the  
17 5-year period beginning on the date that is 2 years after  
18 the date of enactment of this Act that provides a summary  
19 of findings of reductions in review times and administra-  
20 tive cost reduction, with a particular focus on the afford-  
21 able housing sector, as a result of the actions set forth  
22 in this section, and any recommendations of the Secretary  
23 for future congressional action with respect to revising  
24 categorical exclusions or exemptions under title 24, Code  
25 of Federal Regulations.

1 **SEC. 209. INNOVATION FUND.**

2 (a) DEFINITIONS.—In this section:

3 (1) ATTAINABLE HOUSING.—The term “attain-  
4 able housing” means housing that—

5 (A) serves—

6 (i) a majority of households with in-  
7 come not greater than 80 percent of area  
8 median income; and

9 (ii) households with income not great-  
10 er than 100 percent of area median in-  
11 come; or

12 (B) serves—

13 (i) a majority of households with in-  
14 come not greater than 60 percent of area  
15 median income; and

16 (ii) households with income not great-  
17 er than 120 percent of area median in-  
18 come.

19 (2) ELIGIBLE ENTITY.—The term “eligible enti-  
20 ty” means—

21 (A) a metropolitan city or urban county, as  
22 those terms are defined in section 102 of the  
23 Housing and Community Development Act of  
24 1974 (42 U.S.C. 5302), that has demonstrated  
25 an objective improvement in housing supply  
26 growth, as determined by the Secretary, whose

1 methodology for determining such growth is  
2 published in the Federal Register to allow for  
3 public comment not less than 90 days before  
4 the date on which the notice of funding oppor-  
5 tunity is made available; or

6 (B) a unit of general local government or  
7 Indian tribe, as those terms are defined in sec-  
8 tion 102 of the Housing and Community Devel-  
9 opment Act of 1974 (42 U.S.C. 5302), that has  
10 demonstrated an objective improvement in  
11 housing supply growth, as determined by the  
12 Secretary, whose methodology for determining  
13 such improvement is published in the Federal  
14 Register to allow for public comment not less  
15 than 90 days before the date on which the no-  
16 tice of funding opportunity is made available.

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

19 (b) ESTABLISHMENT OF A GRANT PROGRAM.—

20 (1) ESTABLISHMENT.—Not later than 1 year  
21 after the date of enactment of this Act, the Sec-  
22 retary shall establish a program to award grants on  
23 a competitive basis to eligible entities that have in-  
24 creased their local housing supply.

1           (2) LIST OF ELIGIBLE ENTITIES.—The Sec-  
2       retary shall make a list of eligible entities publicly  
3       available on the website of the Department of Hous-  
4       ing and Urban Development.

5           (3) ELIGIBLE PURPOSES.—An eligible entity re-  
6       ceiving a grant under this section may use funds  
7       to—

8           (A) carry out any of the activities de-  
9       scribed in section 105 of the Housing and Com-  
10      munity Development Act of 1974 (42 U.S.C.  
11      5305);

12          (B) carry out any of the activities per-  
13      mitted under the Local and Regional Project  
14      Assistance Program established under section  
15      6702 of title 49, United States Code;

16          (C) serve as matching funds under a State  
17      revolving fund program related to a clean water  
18      or drinking water program administered by the  
19      Environmental Protection Agency in which the  
20      eligible entity is the grantee under that pro-  
21      gram, unless otherwise determined by the Sec-  
22      retary; and

23          (D) carry out initiatives of the eligible enti-  
24      ty that facilitate the expansion of the supply of  
25      attainable housing and that supplement initia-

1           tives the eligible entity has carried out, or is in  
2           the process of carrying out, as specified in the  
3           application submitted under paragraph (4).

4           (4) APPLICATION.—

5                 (A) IN GENERAL.—An eligible entity seek-  
6           ing a grant under this section shall submit to  
7           the Secretary an application that provides—

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

13                   (ii) data on characteristics of in-  
14                   creased housing supply during the 3-year  
15                   period ending on the date on which the ap-  
16                   plication is submitted, which may include  
17                   whether such housing—

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

20                             (II) has improved the quality and  
21                             affordability of housing in the juris-  
22                             diction of the eligible entity;

23                   (iii) a description of how each eligible  
24                   purpose described in clause (i) may ad-  
25                   dress a community need or advance an ob-

1 jective, or an aspect of an objective, in-  
2 cluded in the comprehensive housing af-  
3 fordability strategy and community devel-  
4 opment plan of the eligible entity under  
5 part 91 of title 24, Code of Federal Regu-  
6 lations, or any successor regulation (com-  
7 monly referred to as a “consolidated  
8 plan”); and

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

13 (B) INITIATIVES.—Initiatives that meet  
14 the criteria described in paragraph (3)(D) in-  
15 clude—

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

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

22 (iii) revising minimum lot size require-  
23 ments, floor area ratio requirements, set-  
24 back requirements, building heights, and

- 1 bans or limits on construction to allow for  
2 denser and more affordable development;
- 3 (iv) instituting incentives to promote  
4 dense development;
- 5 (v) passing zoning overlays or other  
6 ordinances that enable the development of  
7 mixed-income housing;
- 8 (vi) streamlining regulatory require-  
9 ments and shortening processes, increasing  
10 code enforcement and permitting capacity,  
11 reforming zoning codes, or other initiatives  
12 that reduce barriers to increasing housing  
13 supply and affordability;
- 14 (vii) eliminating restrictions against  
15 accessory dwelling units and expanding  
16 their by-right use;
- 17 (viii) using local tax incentives or pub-  
18 lic financing to promote development of at-  
19 tainable housing;
- 20 (ix) streamlining environmental regu-  
21 lations;
- 22 (x) eliminating unnecessary manufac-  
23 tured-housing regulations and restrictions;



1 (xi) minimizing the impact of over-  
2 burdensome energy and water efficiency  
3 standards on housing costs; and

4 (xii) other activities that reduce cost  
5 of construction, as determined by the Sec-  
6 retary.

7 (5) GRANTS.—

8 (A) IN GENERAL.—The Secretary shall  
9 make not fewer than 25 grants on an annual  
10 basis (unless amounts appropriated to provide  
11 grant amounts consistent with subsection (b)  
12 are insufficient, in which case fewer grants may  
13 be awarded), with strong consideration of dif-  
14 ferent geographical areas and a relatively even  
15 spread of rural, suburban, and urban commu-  
16 nities.

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

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

20 (ii) less than \$250,000.

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

24 (i) demonstrated the use of innovative  
25 policies, interventions, or programs for in-

1                   creasing housing supply, including adop-  
 2                   tion of any of the frameworks developed  
 3                   under section 203; and

4                   (ii) demonstrated a marked improve-  
 5                   ment in housing supply growth.

6           (c) RULES OF CONSTRUCTION.—Nothing in this sec-  
 7   tion shall be construed—

8                   (1) to authorize the Secretary to mandate, su-  
 9                   persede, or preempt any local zoning or land use pol-  
 10                  icy; or

11                  (2) to affect the requirements of section  
 12                  105(c)(1) of the Cranston-Gonzalez National Afford-  
 13                  able Housing Act (42 U.S.C. 12705(c)(1)).

14           (d) AUTHORIZATION OF APPROPRIATIONS.—

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

18                   (2) ADJUSTMENT.—The amount authorized to  
 19                   be appropriated under paragraph (1) shall be ad-  
 20                   justed for inflation based on the Consumer Price  
 21                   Index.

22   **SEC. 210. ACCELERATING HOME BUILDING ACT.**

23           (a) DEFINITIONS.—In this section:

24                   (1) AFFORDABLE HOUSING.—The term “afford-  
 25                   able housing” means housing for which the total

1       monthly housing cost payment is not more than 30  
2       percent of the monthly household income for a  
3       household earning not more than 80 percent of the  
4       area median income.

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

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

9                       (B) includes—

10                               (i) an accessory dwelling unit;

11                               (ii) infill development;

12                               (iii) a duplex;

13                               (iv) a triplex;

14                               (v) a fourplex;

15                               (vi) a cottage court;

16                               (vii) a courtyard building;

17                               (viii) a townhouse;

18                               (ix) a multiplex; and

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

22               (3) ELIGIBLE ENTITY.—The term “eligible enti-  
23       ty” means—

24                       (A) a unit of general local government, as  
25       defined in section 102(a) of the Housing and

1           Community Development Act of 1974 (42  
2           U.S.C. 5302(a));

3           (B) a municipal membership organization;  
4           and

5           (C) an Indian tribe, as defined in section  
6           102(a) of the Housing and Community Devel-  
7           opment Act of 1974 (42 U.S.C. 5302(a)).

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

12          (5) INFILL DEVELOPMENT.—The term “infill  
13          development” means residential development on  
14          small parcels in previously established areas for re-  
15          placement by new or refurbished housing that uti-  
16          lizes existing utilities and infrastructure.

17          (6) MIXED-INCOME HOUSING.—The term  
18          “mixed-income housing” means a housing develop-  
19          ment that is comprised of housing units that pro-  
20          mote differing levels of affordability in the commu-  
21          nity.

22          (7) PRE-REVIEWED DESIGNS.—The term “pre-  
23          reviewed designs”, also known as pattern books,  
24          means sets of construction plans that are assessed  
25          and approved by localities for compliance with local

1 building and permitting standards to streamline and  
2 expedite approval pathways for housing construction.

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

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

8 (b) AUTHORITY.—The Secretary may award grants  
9 to eligible entities to select pre-reviewed designs of covered  
10 structures of mixed-income housing for use in the jurisdic-  
11 tion of the eligible entity.

12 (c) CONSIDERATIONS.—In reviewing applications  
13 submitted by eligible entities for a grant under this sec-  
14 tion, the Secretary shall consider—

15 (1) the need for affordable housing by the eligi-  
16 ble entity;

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

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

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

24 (d) SET-ASIDE FOR RURAL AREAS.—Of the amount  
25 made available in each fiscal year for grants under this

1 section, the Secretary shall ensure that not less than 10  
2 percent shall be used for grants to eligible entities that  
3 are located in rural areas.

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

6 (1) the impacts of the activities carried out  
7 using the grant amounts in improving the produc-  
8 tion and supply of affordable housing;

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

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

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

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

17 (1) to the extent possible, encourage localities  
18 to make publicly available through a website infor-  
19 mation on the pre-reviewed designs selected and sub-  
20 mitted to the Secretary by eligible entities receiving  
21 grants under this section, including information on  
22 the benefits of use of those designs; and

23 (2) collect, identify, and disseminate best prac-  
24 tices regarding such designs and make such informa-

1       tion publicly available on the website of the Depart-  
2       ment of Housing and Urban Development.

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

10      (h) AUTHORIZATION OF APPROPRIATIONS.—

11           (1) IN GENERAL.—There is authorized to be  
12       appropriated to the Secretary such sums as are nec-  
13       essary to carry out this section.

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

20   **SEC. 211. BUILD MORE HOUSING NEAR TRANSIT ACT.**

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

23           (1) in subsection (a)—

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

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

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

5 “(A) means any adopted State or local pol-  
6 icy that will remove regulatory barriers to the  
7 construction or preservation of housing units,  
8 including affordable housing units; and

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

11 “(i) reduces or eliminates parking  
12 minimums;

13 “(ii) establishes a by-right approval  
14 process for housing under which land use  
15 development approval is limited to deter-  
16 mining that the development meets objec-  
17 tive zoning and design standards that—

18 “(I) involve no subjective judg-  
19 ment by a public official;

20 “(II) are uniformly verifiable by  
21 reference to an external and uniform  
22 benchmark or criterion available to  
23 both the land use developer and the  
24 public official prior to submission; and



1 “(III) include only such stand-  
 2 ards as are published and adopted by  
 3 ordinance or resolution by a jurisdic-  
 4 tion before submission of a develop-  
 5 ment application;

6 “(iii) reduces or eliminates minimum  
 7 lot sizes;

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

13 “(v) carries out other policies as de-  
 14 termined by the Secretary, in consultation  
 15 with the Secretary of Housing and Urban  
 16 Development.”;

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

19 “(D) ELIGIBILITY FOR ADJUSTMENT OF  
 20 RATING FOR PROJECT JUSTIFICATION CRITERIA  
 21 FOR PRO-HOUSING POLICIES; CONSIDER-  
 22 ATIONS.—In evaluating and rating a project as  
 23 a whole for project justification under subpara-  
 24 graph (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; CONSIDER-

1           ATIONS.—In evaluating and rating the benefits  
2           of a project under subparagraph (A), the Sec-  
3           retary—

4                   “(i) may increase the rating of a  
5                   project if the applicant submits docu-  
6                   mented evidence of pro-housing policies for  
7                   areas accessible to transit facilities along  
8                   the project route; and

9                   “(ii) should consider whether the pro-  
10                  housing policies documented by the appli-  
11                  cant will result, through new production  
12                  and preservation, in an amount of housing  
13                  units, including housing units affordable  
14                  below the area median income, that is ap-  
15                  propriate to expected housing demand in  
16                  the project area.

17           “(D) CONSULTATION.—In developing the  
18           evaluation process that could lead to the in-  
19           creased rating described in subparagraph (C)(i),  
20           the Secretary shall consult with the Secretary  
21           of Housing and Urban Development.”; and

22           (4) in subsection (o)—

23                   (A) in paragraph (1)—

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

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

4 (iii) by adding at the end the fol-  
 5 lowing:

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

11 **SEC. 212. REVITALIZING EMPTY STRUCTURES INTO DESIR-**  
 12 **ABLE ENVIRONMENTS (RESIDE) ACT.**

13 (a) DEFINITIONS.—In this section:

14 (1) ATTAINABLE HOUSING.—The term “attain-  
 15 able housing” means housing that—

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

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

1           (2) CONVERTED HOUSING UNIT.—The term  
2           “converted housing unit” means a housing unit that  
3           is created using a covered grant.

4           (3) COVERED GRANT.—The term “covered  
5           grant” means a grant awarded under the Pilot Pro-  
6           gram.

7           (4) ELIGIBLE ENTITY.—The term “eligible enti-  
8           ty” means a participating jurisdiction, as defined in  
9           section 104 of the Cranston-Gonzalez National Af-  
10          fordable Housing Act (42 U.S.C. 12704).

11          (5) HOME INVESTMENT PARTNERSHIPS PRO-  
12          GRAM.—The term “HOME Investment Partnerships  
13          Program” means the program under subtitle A of  
14          title II of the Cranston-Gonzalez National Afford-  
15          able Housing Act (42 U.S.C. 12741 et seq.).

16          (6) PILOT PROGRAM.—The term “Pilot Pro-  
17          gram” means the Blighted Building to Housing  
18          Conversion Program carried out under subsection  
19          (b).

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

22          (8) VACANT AND ABANDONED BUILDING.—The  
23          term “vacant and abandoned building” means a  
24          property—

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

4 (B)(i) with respect to which—

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

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

12 (ii) that is subject to a court-ordered re-  
13 ceivership or nuisance abatement related to  
14 abandonment pursuant to State or local law or  
15 otherwise meets the definition of an abandoned  
16 property under State law.

17 (b) GRANT PROGRAM.—For each of fiscal years 2027  
18 through 2031, if the amounts made available to carry out  
19 the HOME Investment Partnerships Program exceed  
20 \$1,350,000,000, the Secretary may use not more than  
21 \$100,000,000 of the excess amounts to carry out a pilot  
22 program, to be known as the “Blighted Building to Hous-  
23 ing Conversion Program”, under which the Secretary  
24 awards grants on a competitive basis to eligible entities

1 to convert vacant and abandoned buildings into attainable  
2 housing.

3 (c) AMOUNT OF GRANT.—

4 (1) IN GENERAL.—For any fiscal year for  
5 which \$100,000,000 is available to carry out the  
6 Pilot Program pursuant to subsection (b), the  
7 amount of a covered grant shall be not less than  
8 \$1,000,000 and not more than \$10,000,000.

9 (2) FISCAL YEARS WITH LOWER FUNDING.—

10 For any fiscal year for which less than  
11 \$100,000,000 is available to carry out the Pilot Pro-  
12 gram pursuant to subsection (b), the Secretary shall  
13 seek to maximize the number of covered grants  
14 awarded.

15 (d) RELATION TO HOME INVESTMENT PARTNER-  
16 SHIPS PROGRAM FORMULA ALLOCATION.—A covered  
17 grant awarded to an eligible entity shall be in addition  
18 to, and shall not affect, the formula allocation for the eligi-  
19 ble entity under the HOME Investment Partnerships Pro-  
20 gram.

21 (e) PRIORITY.—In awarding covered grants, the Sec-  
22 retary shall give priority to an eligible entity that—

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

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

4           (3) will use the covered grant to construct hous-  
5           ing that will serve a need identified in the com-  
6           prehensive housing affordability strategy and com-  
7           munity development plan of the eligible entity under  
8           part 91 of title 24, Code of Federal Regulations, or  
9           any successor regulation (commonly referred to as a  
10          “consolidated plan”); or

11          (4) has enacted ordinances to reduce regulatory  
12          barriers to conversion of vacant and abandoned  
13          buildings to housing, which shall not include any al-  
14          teration of an ordinance that governs safety and  
15          habitability.

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

18               (1) property acquisition;

19               (2) demolition;

20               (3) health hazard remediation;

21               (4) site preparation;

22               (5) construction, renovation, or rehabilitation;

23          or

24               (6) the establishment, maintenance, or expan-  
25          sion of community land trusts.



1 (g) APPLICABILITY OF HOME REQUIREMENTS.—

2 The requirements for rental, sale, and resale of housing  
3 under the HOME Investment Partnerships Program shall  
4 apply to rental, sale, and resale of converted housing units  
5 under the Pilot Program.

6 (h) WAIVER AUTHORITY.—In administering covered  
7 grants, the Secretary may waive, or specify alternative re-  
8 quirements for, any statute or regulation that the Sec-  
9 retary administers in connection with the obligation by the  
10 Secretary or the use by eligible entities of covered grant  
11 funds (except for requirements related to fair housing,  
12 nondiscrimination, labor standards, or the environment)  
13 if the Secretary makes a public finding that good cause  
14 exists for the waiver or alternative requirement.

15 (i) STUDY; REPORT.—Not later than 180 days after  
16 the termination of the Pilot Program, the Secretary shall  
17 study and submit a report to Congress on the impact of  
18 the Pilot Program on—

19 (1) improving the tax base of local commu-  
20 nities;

21 (2) increasing access to affordable housing, es-  
22 pecially for elderly individuals, disabled individuals,  
23 and veterans;

24 (3) increasing homeownership; and

25 (4) removing blight.

1 **SEC. 213. HOUSING AFFORDABILITY ACT.**

2 (a) MULTIFAMILY LOAN LIMIT STUDY.—The Com-  
3 missioner of the Federal Housing Administration, in con-  
4 sultation with the Secretary of the Department of Housing  
5 and Urban Development, shall conduct a study to assess—

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

10 (2) whether the Commissioner has sufficient au-  
11 thority to set loan limits for each multifamily mort-  
12 gage insurance program at appropriate amounts, in-  
13 cluding to cover the cost of land and construction;  
14 and

15 (3) the potential impacts of altering the calcula-  
16 tion of annual adjustments under section 206A of  
17 the National Housing Act (12 U.S.C. 1712a) using  
18 the percentage change in the Consumer Price Index  
19 for All Urban Consumers to instead use the percent-  
20 age change in the Price Deflator Index of Multi-  
21 family Residential Units Under Construction re-  
22 leased by the Bureau of the Census from March of  
23 the previous year to March of the year in which the  
24 adjustment is made, or a combination thereof, in-  
25 cluding—

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

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

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

8 (D) the impact on housing supply.

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

13 (c) RULEMAKING.—The Secretary of Housing and  
14 Urban Development may, in consultation with the Com-  
15 missioner of the Federal Housing Administration, conduct  
16 notice and comment rulemaking to increase multifamily  
17 loan limits in a manner that would not exceed the fol-  
18 lowing:

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

21 (A) for projects that do not consist of ele-  
22 vator-type structures—

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

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

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

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

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

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

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

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

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

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

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

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

23 (A) for projects that do not consist of ele-  
24 vator-type structures—

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

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

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

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

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

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

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

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

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

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

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

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

1 (A) for projects that do not consist of ele-  
2 vator-type structures—

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

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

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

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

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

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

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

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

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

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

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

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

3           (A) for projects that do not consist of ele-  
4 vator-type structures—

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

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

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

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

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

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

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

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

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

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

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

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

5 (A) for projects that do not consist of ele-  
6 vator-type structures—

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

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

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

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

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

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

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

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

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



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

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

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

7 (A) for projects that do not consist of ele-  
8 vator-type structures—

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

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

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

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

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

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

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

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

- 1 (iii) \$135,696 per family unit with  
 2 two bedrooms;  
 3 (iv) \$175,544.50 per family unit with  
 4 three bedrooms; and  
 5 (v) \$192,693.50 per family unit with  
 6 four or more bedrooms.

7 (d) RULE OF CONSTRUCTION.—Nothing in this sec-  
 8 tion or the amendment made by this section shall be con-  
 9 strued to limit the authority of the Secretary of Housing  
 10 and Urban Development to revise the statutory exceptions  
 11 for high-cost percentage and high-cost areas annual index-  
 12 ing.

## 13 **TITLE III—MANUFACTURED** 14 **HOUSING FOR AMERICA**

### 15 **SEC. 301. HOUSING SUPPLY EXPANSION ACT.**

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

21 (b) MANUFACTURED HOME CERTIFICATIONS.—Sec-  
 22 tion 604 of the National Manufactured Housing Construc-  
 23 tion and Safety Standards Act of 1974 (42 U.S.C. 5403)  
 24 is amended by adding at the end the following:

25 “(i) MANUFACTURED HOME CERTIFICATIONS.—

1 “(1) IN GENERAL.—

2 “(A) INITIAL CERTIFICATION.—Subject to  
3 subparagraph (B), not later than 1 year after  
4 the date of enactment of the Renewing Oppor-  
5 tunity in the American Dream to Housing Act  
6 of 2025, a State shall submit to the Secretary  
7 an initial certification that the laws and regula-  
8 tions of the State—

9 “(i) treat any manufactured home in  
10 parity with a manufactured home (as de-  
11 fined and regulated by the State); and

12 “(ii) subject a manufactured home  
13 without a permanent chassis to the same  
14 laws and regulations of the State as a  
15 manufactured home built on a permanent  
16 chassis, including with respect to financ-  
17 ing, title, insurance, manufacture, sale,  
18 taxes, transportation, installation, and  
19 other areas as the Secretary determines,  
20 after consultation with and approval by the  
21 consensus committee, are necessary to give  
22 effect to the purpose of this section.

23 “(B) STATE PLAN SUBMISSION.—Any  
24 State plan submitted under subparagraph (C)  
25 shall contain the required State certification

1 under subparagraph (A) and, if contained  
2 therein, no additional or State certification  
3 under subparagraph (A) or paragraph (3).

4 “(C) EXTENDED DEADLINE.—With respect  
5 to a State with a legislature that meets bienni-  
6 ally, the deadline for the submission of the ini-  
7 tial certification required under subparagraph  
8 (A) shall be 2 years after the date of enactment  
9 of the Renewing Opportunity in the American  
10 Dream to Housing Act of 2025.

11 “(D) LATE CERTIFICATION.—

12 “(i) NO WAIVER.—The Secretary may  
13 not waive the prohibition described in  
14 paragraph (5)(B) with respect to a certifi-  
15 cation submitted after the deadline under  
16 subparagraph (A) or paragraph (3) unless  
17 the Secretary approves the late certifi-  
18 cation.

19 “(ii) RULE OF CONSTRUCTION.—  
20 Nothing in this subsection shall be con-  
21 strued to prevent a State from submitting  
22 the initial certification required under sub-  
23 paragraph (A) after the required deadline  
24 under that subparagraph.

1           “(2) FORM OF STATE CERTIFICATION NOT PRE-  
2           SENTED IN A STATE PLAN.—The initial certification  
3           required under paragraph (1)(A), if not submitted  
4           with a State plan under paragraph (1)(B), shall con-  
5           tain, in a form prescribed by the Secretary, an attes-  
6           tation by an official that the State has taken the  
7           steps necessary to ensure the veracity of the certifi-  
8           cation required under paragraph (1)(A), including,  
9           as necessary, by—

10                   “(A) amending the definition of ‘manufac-  
11                   tured home’ in the laws and regulations of the  
12                   State; and

13                   “(B) directing State agencies to amend the  
14                   definition of ‘manufactured home’ in regula-  
15                   tions.

16           “(3) ANNUAL RECERTIFICATION.—Not later  
17           than a date to be determined by the Secretary each  
18           year, a State shall submit to the Secretary an addi-  
19           tional certification that—

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

23                   “(B) certifies that any new laws or regula-  
24                   tions enacted or adopted by the State since the  
25                   date of the previous certification does not

1 change the veracity of the initial certification  
2 submitted under paragraph (1)(A).

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

9 “(5) PROHIBITION.—

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

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

17 “(ii) considered a manufactured home  
18 under the definition of the term in section  
19 603; and

20 “(iii) constructed after the date of en-  
21 actment of the Renewing Opportunity in  
22 the American Dream to Housing Act of  
23 2025.

24 “(B) BUILDING, INSTALLATION, AND  
25 SALE.—If a State does not submit a certifi-

1 cation under paragraph (1)(A) or (3) by the  
2 date on which those certifications are required  
3 to be submitted—

4 “(i) with respect to a State in which  
5 the State administers the installation of  
6 manufactured homes, the State shall pro-  
7 hibit the manufacture, installation, or sale  
8 of a covered manufactured home within the  
9 State; and

10 “(ii) with respect to a State in which  
11 the Secretary administers the installation  
12 of manufactured homes, the State and the  
13 Secretary shall prohibit the manufacture,  
14 installation, or sale of a covered manufac-  
15 tured home within the State.”.

16 (c) OTHER FEDERAL LAWS REGULATING MANUFAC-  
17 TURED HOMES.—The Secretary of Housing and Urban  
18 Development may coordinate with the heads of other Fed-  
19 eral agencies to ensure that Federal agencies treat a man-  
20 ufactured home (as defined in Federal laws and regula-  
21 tions other than section 603 of the National Manufactured  
22 Housing Construction and Safety Standards Act of 1974  
23 (42 U.S.C. 5402)) in the same manner as a manufactured  
24 home (as defined in section 603 of the National Manufac-

1 tured Housing Construction and Safety Standards Act of  
2 1974 (42 U.S.C. 5402), as amended by this Act).

3 (d) ASSISTANCE TO STATES.—Section 609 of the Na-  
4 tional Manufactured Housing Construction and Safety  
5 Standards Act of 1974 (42 U.S.C. 5408) is amended—

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

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

10 (3) by adding at the end the following:

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

13 (e) PREEMPTION.—Nothing in this section or the  
14 amendments made by this section shall be construed as  
15 limiting the scope of Federal preemption under section  
16 604(d) of the National Manufactured Housing Construc-  
17 tion and Safety Standards Act of 1974 (42 U.S.C.  
18 5403(d)).

19 **SEC. 302. MODULAR HOUSING PRODUCTION ACT.**

20 (a) DEFINITIONS.—In this section:

21 (1) MANUFACTURED HOME.—The term “manu-  
22 factured home” has the meaning given the term in  
23 section 603 of the National Manufactured Housing  
24 Construction and Safety Standards Act of 1974 (42  
25 U.S.C. 5402).



1           (2) MODULAR HOME.—The term “modular  
2       home” means a home that is constructed in a fac-  
3       tory in 1 or more modules, each of which meet appli-  
4       cable State and local building codes of the area in  
5       which the home will be located, and that are trans-  
6       ported to the home building site, installed on foun-  
7       dations, and completed.

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

10       (b) FHA CONSTRUCTION FINANCING PROGRAMS.—

11           (1) IN GENERAL.—The Secretary shall conduct  
12       a review of Federal Housing Administration con-  
13       struction financing programs to identify barriers to  
14       the use of modular home methods.

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

17           (A) identify and evaluate regulatory and  
18       programmatic features that restrict participa-  
19       tion in construction financing programs by  
20       modular home developers, including construc-  
21       tion draw schedules; and

22           (B) identify administrative measures au-  
23       thorized under section 525 of the National  
24       Housing Act (12 U.S.C. 1735f–3) to facilitate

1           program utilization by modular home devel-  
2           opers.

3           (3) REPORT.—Not later than 1 year after the  
4           date of enactment of this Act, the Secretary shall  
5           publish a report that describes the results of the re-  
6           view conducted under paragraph (1), which shall in-  
7           clude a description of programmatic and policy  
8           changes that the Secretary recommends to reduce or  
9           eliminate identified barriers to the use of modular  
10          home methods in Federal Housing Administration  
11          construction financing programs.

12          (4) RULEMAKING.—

13                (A) IN GENERAL.—Not later than 120  
14                days after the date on which the Secretary pub-  
15                lishes the report under paragraph (3), the Sec-  
16                retary shall initiate a rulemaking to examine an  
17                alternative draw schedule for construction fi-  
18                nancing loans provided to modular and manu-  
19                factured home developers, which shall include  
20                the ability for interested stakeholders to provide  
21                robust public comment.

22                (B) DETERMINATION.—Following the pe-  
23                riod for public comment under subparagraph  
24                (A), the Secretary shall—

1 (i) issue a final rule regarding an al-  
 2 ternative draw schedule described in sub-  
 3 paragraph (A); or

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

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

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

12 (A) the utility of a standardized coding  
 13 system for serializing and securing modules,  
 14 streamlining design and construction, and im-  
 15 proving modular home innovation; and

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

18 (2) AUTHORIZATION OF APPROPRIATIONS.—

19 There is authorized to be appropriated such funds as  
 20 may be necessary to carry out paragraph (1).

21 **SEC. 303. PROPERTY IMPROVEMENT AND MANUFACTURED**  
 22 **HOUSING LOAN MODERNIZATION ACT.**

23 (a) NATIONAL HOUSING ACT AMENDMENTS.—

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

1 (A) in subsection (a), by inserting “con-  
 2 struction of additional or accessory dwelling  
 3 units, as defined by the Secretary,” after “en-  
 4 ergy conserving improvements,”; and

5 (B) in subsection (b)—

6 (i) in paragraph (1)—

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

9 “(A) \$75,000 if made for the purpose of financ-  
 10 ing alterations, repairs, and improvements upon or  
 11 in connection with an existing single-family struc-  
 12 ture, including a manufactured home;”;

13 (II) in subparagraph (B)—

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

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

18 (cc) by striking “an apart-  
 19 ment house or”;

20 (III) by striking subparagraphs

21 (C) and (D) and inserting the fol-  
 22 lowing:

23 “(C)(i) \$106,405 if made for the purpose of fi-  
 24 nancing the purchase of a single-section manufac-  
 25 tured home; and

1           “(ii) \$195,322 if made for the purpose of fi-  
 2           nancing the purchase of a multi-section manufac-  
 3           tured home;

4           “(D)(i) \$149,782 if made for the purpose of fi-  
 5           nancing the purchase of a single-section manufac-  
 6           tured home and a suitably developed lot on which to  
 7           place the home; and

8           “(ii) \$238,699 if made for the purpose of fi-  
 9           nancing the purchase of a multi-section manufac-  
 10          tured home and a suitably developed lot on which to  
 11          place the home;”;

12                               (IV) in subparagraph (E)—

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

15                               (bb) by striking the period  
 16                               at the end and inserting a semi-  
 17                               colon;

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

20                               (VI) in subparagraph (G), by  
 21                               striking the period at the end and in-  
 22                               serting “; and”; and

23                               (VII) by inserting after subpara-  
 24                               graph (G) the following:

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

4                   (ii) in the matter immediately pre-  
5           ceding paragraph (2)—

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

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

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

13                  (IV) by inserting “, or as nec-  
14                  essary to achieve the goals of the Fed-  
15                  eral Housing Administration, periodi-  
16                  cally reset the dollar amount limita-  
17                  tions in subparagraphs (A) through  
18                  (H) based on justification and meth-  
19                  odology set forth in advance by regu-  
20                  lation” before the period at the end;  
21                  and

22                  (V) by adjusting the margins ap-  
23                  propriately;

24                  (iii) in paragraph (3), by striking “ex-  
25                  ceeds—” and all that follows through the

1 period at the end and inserting “exceeds  
2 such period of time as determined by the  
3 Secretary, not to exceed 30 years.”;

4 (iv) by striking paragraph (9) and in-  
5 serting the following:

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

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

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

19 (A) DEADLINE FOR DEVELOPMENT OR  
20 CHOICE OF NEW INDEX.—Not later than 1 year  
21 after the date of enactment of this Act, the Sec-  
22 retary of Housing and Urban Development  
23 shall develop or choose 1 or more methods of  
24 indexing as required under section 2(b)(9) of  
25 the National Housing Act (12 U.S.C.

1 1703(b)(9)), as amended by paragraph (1) of  
2 this subsection.

3 (B) INTERIM INDEX.—During the period  
4 beginning on the date of enactment of this Act  
5 and ending on the date on which the Secretary  
6 of Housing and Urban Development develops or  
7 chooses 1 or more methods of indexing as re-  
8 quired under section 2(b)(9) of the National  
9 Housing Act (12 U.S.C. 1703(b)(9)), as  
10 amended by paragraph (1) of this subsection,  
11 the method of indexing established by the Sec-  
12 retary under that subsection before the date of  
13 enactment of this Act shall apply.

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

15 (1) DEFINITIONS.—In this subsection:

16 (A) OFF-SITE CONSTRUCTION HOUSING.—  
17 The term “off-site construction housing” in-  
18 cludes manufactured homes and modular  
19 homes.

20 (B) MANUFACTURED HOME.—The term  
21 “manufactured home” means any home con-  
22 structed in accordance with the construction  
23 and safety standards established under the Na-  
24 tional Manufactured Housing Construction and



1 Safety Standards Act of 1974 (42 U.S.C. 5401  
2 et seq.).

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

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

14 (A) an analysis of the advantages of the  
15 impact of centralization in a factory and trans-  
16 portation to a construction site on cost, preci-  
17 sion, and materials waste;

18 (B) the extent to which off-site construc-  
19 tion housing meets housing quality standards  
20 under the National Standards for the Physical  
21 Inspection of Real Estate, or other standards as  
22 the Secretary may prescribe, compared to the  
23 extent for site-built homes, for such standards;

24 (C) the expected replacement and mainte-  
25 nance costs over the first 40 years of life of off-

1 site construction homes compared to those costs  
2 for site-built homes; and

3 (D) opportunities for use beyond single-  
4 family housing, such as applications in acces-  
5 sory dwelling units, two- to four-unit housing,  
6 and large multifamily housing.

7 **SEC. 304. PRICE ACT.**

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

10 (1) in section 105(a) (42 U.S.C. 5305(a)), in  
11 the matter preceding paragraph (1), by striking  
12 “Activities” and inserting “Unless otherwise author-  
13 ized under section 123, activities”; and

14 (2) by adding at the end the following:

15 **“SEC. 123. PRESERVATION AND REINVESTMENT FOR COM-**  
16 **MUNITY ENHANCEMENT.**

17 “(a) DEFINITIONS.—In this section:

18 “(1) COMMUNITY DEVELOPMENT FINANCIAL IN-  
19 STITUTION.—The term ‘community development fi-  
20 nancial institution’ means an institution that has  
21 been certified as a community development financial  
22 institution (as defined in section 103 of the Riegle  
23 Community Development and Regulatory Improve-  
24 ment Act of 1994 (12 U.S.C. 4702)) by the Sec-  
25 retary of the Treasury.

1           “(2) ELIGIBLE MANUFACTURED HOUSING COM-  
2           MUNITY.—The term ‘eligible manufactured housing  
3           community’ means a manufactured housing commu-  
4           nity that—

5                   “(A) is affordable to low- and moderate-in-  
6                   come persons, as determined by the Secretary,  
7                   but not more than 120 percent of the area me-  
8                   dian income; and

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

13                  “(ii) will be maintained as such a commu-  
14                  nity, and remain affordable for low- and mod-  
15                  erate-income persons, to the maximum extent  
16                  practicable and for the longest period feasible.

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

19                   “(A) an eligible manufactured housing  
20                   community;

21                   “(B) a unit of general local government;

22                   “(C) a housing authority;

23                   “(D) a resident-owned community;

24                   “(E) a resident-owned cooperative;

1           “(F) a nonprofit entity with housing exper-  
2           tise or a consortia of such entities;

3           “(G) a community development financial  
4           institution;

5           “(H) an Indian tribe;

6           “(I) a tribally designated housing entity;

7           “(J) a State; or

8           “(K) any other entity that is—

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

11                “(ii) working with an eligible manu-  
12            factured housing community.

13           “(4) INDIAN TRIBE.—The term ‘Indian tribe’  
14           has the meaning given the term ‘Indian tribe’ in sec-  
15           tion 4 of the Native American Housing Assistance  
16           and Self-Determination Act of 1996 (25 U.S.C.  
17           4103).

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

21                “(A) any community, court, park, or other  
22            land under unified ownership developed and ac-  
23            commodating or equipped to accommodate the  
24            placement of manufactured homes, where—

1 “(i) spaces within such community are  
2 or will be primarily used for residential oc-  
3 cupancy;

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

6 “(iii) a majority of such occupied  
7 spaces within the community are occupied  
8 by manufactured homes, which may in-  
9 clude homes constructed prior to enact-  
10 ment of the Manufactured Home Construc-  
11 tion and Safety Standards; or

12 “(B) any community that meets the defini-  
13 tion of manufactured housing community used  
14 for programs similar to the program under this  
15 section.

16 “(6) RESIDENT HEALTH, SAFETY, AND ACCES-  
17 SIBILITY ACTIVITIES.—The term ‘resident health,  
18 safety, and accessibility activities’ means the recon-  
19 struction, repair, or replacement of manufactured  
20 housing and manufactured housing communities  
21 to—

22 “(A) protect the health and safety of resi-  
23 dents;

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

1           “(C) address accessibility needs for resi-  
2           dents with disabilities.

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

8           “(b) ESTABLISHMENT.—The Secretary shall, by no-  
9           tice, carry out a competitive grant program to award  
10          funds to eligible recipients to carry out eligible projects  
11          for development of or improvements in eligible manufac-  
12          tured housing communities.

13          “(c) ELIGIBLE PROJECTS.—

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

16                       “(A) community infrastructure, facilities,  
17                       utilities, and other land improvements in or  
18                       serving an eligible manufactured housing com-  
19                       munity;

20                       “(B) reconstruction or repair existing  
21                       housing within an eligible manufactured hous-  
22                       ing community;

23                       “(C) replacement of homes within an eligi-  
24                       ble manufactured housing community;

25                       “(D) planning;

1           “(E) resident health, safety, and accessi-  
2           bility activities in homes in an eligible manufac-  
3           tured housing community;

4           “(F) land and site acquisition and infra-  
5           structure for expansion or construction of an el-  
6           igible manufactured housing community;

7           “(G) resident and community services, in-  
8           cluding relocation assistance, eviction preven-  
9           tion, and down payment assistance; and

10          “(H) any other activity that—

11               “(i) is approved by the Secretary con-  
12               sistent with the requirements under this  
13               section;

14               “(ii) improves the overall living condi-  
15               tions of an eligible manufactured housing  
16               community, which may include the addi-  
17               tion or enhancement of shared spaces such  
18               as community centers, recreational areas,  
19               or other facilities that support resident  
20               well-being and community engagement;  
21               and

22               “(iii) is necessary to protect the  
23               health and safety of the residents of the el-  
24               igible manufactured housing community

1                   and the long-term affordability and sus-  
2                   tainability of the community.

3                   “(2) REPLACEMENT.—For purposes of sub-  
4           paragraphs (B) and (C) of paragraph (1), grants  
5           under this section—

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

9                   “(B) may only be used for disposition and  
10          replacement of units described in subparagraph  
11          (A), provided that any replacement housing  
12          complies with the Manufactured Home Con-  
13          struction and Safety Standards or is another al-  
14          lowed home, as determined by the Secretary.

15          “(d) PRIORITY.—In awarding grants under this sec-  
16   tion, the Secretary shall prioritize applicants that will  
17   carry out activities that primarily benefit low- and mod-  
18   erate-income residents and preserve long-term housing af-  
19   fordability for residents of eligible manufactured housing  
20   communities.

21          “(e) WAIVERS.—The Secretary may waive or specify  
22   alternative requirements for any provision of law or regu-  
23   lation that the Secretary administers in connection with  
24   use of amounts made available under this section other  
25   than requirements related to fair housing, nondiscrimina-



1 tion, labor standards, and the environment, upon a finding  
2 that the waiver or alternative requirement is not incon-  
3 sistent with the overall purposes of this section and that  
4 the waiver or alternative requirement is necessary to facili-  
5 tate the use of amounts made available under this section.

6 “(f) IMPLEMENTATION.—

7 “(1) IN GENERAL.—Any grant made under this  
8 section shall be made pursuant to criteria for selec-  
9 tion of recipients of such grants that the Secretary  
10 shall by regulation establish and publish together  
11 with any notification of availability of amounts  
12 under this section.

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

17 “(g) AUTHORIZATION OF APPROPRIATIONS.—There  
18 is authorized to be appropriated to the Secretary such  
19 sums as may be necessary to carry out this section.”.

20 **TITLE IV—ACCESSING THE**  
21 **AMERICAN DREAM**

22 **SEC. 401. CREATING INCENTIVES FOR SMALL DOLLAR**  
23 **LOAN ORIGINATORS.**

24 (a) DEFINITIONS.—In this section:

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

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

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

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

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

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

17                   (iv) eligible to be purchased or securitized  
18                   by the Federal Home Loan Mortgage Corpora-  
19                   tion or the Federal National Mortgage Associa-  
20                   tion.

21           (b) REQUIREMENT REGARDING LOAN ORIGINATOR  
22           COMPENSATION PRACTICES.—Not later than 270 days  
23           after the date of enactment of this Act, the Director shall  
24           submit to the Committee on Banking, Housing, and  
25           Urban Affairs of the Senate and the Committee on Finan-

1 cial Services of the House of Representatives a report on  
2 loan originator compensation practices throughout the res-  
3 idential mortgage market, including the relative frequency  
4 of loan originators being compensated—

5 (1) with a salary;

6 (2) with a commission reflecting a fixed per-  
7 centage of the amount of credit extended;

8 (3) with a commission based on a factor other  
9 than a fixed percentage of the amount of credit ex-  
10 tended;

11 (4) with a combination of salary and commis-  
12 sion;

13 (5) on a loan volume basis;

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

17 (7) by any other mechanism that the Director  
18 may find to be a practice for compensating mortgage  
19 loan originators, including any mechanism that pro-  
20 vides a loan originator with compensation in such a  
21 way that the loan originator does not necessarily re-  
22 ceive a lower level of compensation for originating a  
23 small dollar mortgage than the loan originator would  
24 receive for originating a mortgage loan that is not  
25 a small dollar mortgage.

1 (c) CONTENTS.—The report required under sub-  
2 section (b) shall include—

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

7 (2) analysis and discussion regarding other po-  
8 tential barriers to small dollar mortgage lending.

9 (d) RULEMAKING.—Following the issuance of the re-  
10 port required under subsection (b), the Director may issue  
11 regulations to clarify the forms of compensation a lender  
12 may use to compensate a loan originator that—

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

16 (2) would result in the loan originator receiving  
17 compensation for originating a small dollar mortgage  
18 that is not less than the compensation the loan origi-  
19 nator would receive for originating a mortgage loan  
20 that is not a small dollar mortgage.

21 **SEC. 402. SMALL DOLLAR MORTGAGE POINTS AND FEES.**

22 (a) SMALL DOLLAR MORTGAGE DEFINED.—In this  
23 section, the term “small dollar mortgage” means a mort-  
24 gage with an original principal obligation of less than  
25 \$100,000.

1 (b) AMENDMENTS.—

2 (1) IN GENERAL.—Not later than 270 days  
3 after the date of enactment of this Act, the Director  
4 of the Bureau of Consumer Financial Protection, in  
5 consultation with the Secretary of Housing and  
6 Urban Development and the Director of the Federal  
7 Housing Finance Agency, shall evaluate the impact  
8 of the existing thresholds under section 1026.43 of  
9 title 12, Code of Federal Regulations, on small dol-  
10 lar mortgage originations.

11 (2) RULEMAKING.—Following the evaluation re-  
12 quired under paragraph (1), the Director of the Bu-  
13 reau of Consumer Financial Protection may initiate  
14 rulemaking to amend the limitations with respect to  
15 points and fees under section 1026.43 of title 12,  
16 Code of Federal Regulations, or any successor regu-  
17 lation, to encourage additional lending for small dol-  
18 lar mortgages.

19 **SEC. 403. APPRAISAL INDUSTRY IMPROVEMENT ACT.**

20 (a) APPRAISAL STANDARDS.—

21 (1) CERTIFICATION OR LICENSING.—

22 (A) IN GENERAL.—Section 202(g)(5) of  
23 the National Housing Act (12 U.S.C.  
24 1708(g)(5)) is amended—

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

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

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

14 “(B) meet the requirements under the com-  
15 petency rule set forth in the Uniform Standards of  
16 Professional Appraisal Practice before accepting an  
17 assignment; and

18 “(C) have demonstrated verifiable education in  
19 the appraisal requirements established by the Fed-  
20 eral Housing Administration under this subsection,  
21 which shall include the completion of a course or  
22 seminar that educates appraisers on those appraisal  
23 requirements, which shall be provided by—

24 “(i) the Federal Housing Administration;  
25 or

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

4 (B) APPLICATION.—Subparagraph (C) of  
5 section 202(g)(5) of the National Housing Act  
6 (12 U.S.C. 1708(g)(5)), as added by subpara-  
7 graph (A), shall not apply with respect to any  
8 certified appraiser approved by the Federal  
9 Housing Administration to conduct appraisals  
10 on property securing a mortgage to be insured  
11 by the Federal Housing Administration on or  
12 before the effective date under paragraph  
13 (3)(C).

14 (2) COMPLIANCE WITH VERIFIABLE EDUCATION  
15 AND COMPETENCY REQUIREMENTS.—On and after  
16 the effective date under paragraph (3)(C), no ap-  
17 praiser may conduct an appraisal on a property se-  
18 curing a mortgage to be insured by the Federal  
19 Housing Administration unless—

20 (A) the appraiser is in compliance with the  
21 requirements under subparagraphs (A) and (B)  
22 of section 202(g)(5) of such Act (12 U.S.C.  
23 1708(g)(5)), as amended by paragraph (1); and

24 (B) if the appraiser was not approved by  
25 the Federal Housing Administration to conduct

1 appraisals on mortgages insured by the Federal  
2 Housing Administration before the date on  
3 which the mortgagee letter or guidance take ef-  
4 fect under paragraph (3)(C), the appraiser is in  
5 compliance with subparagraph (C) of such sec-  
6 tion 202(g)(5).

7 (3) IMPLEMENTATION.—Not later than the 240  
8 days after the date of enactment of this Act, the  
9 Secretary of Housing and Urban Development shall  
10 issue a mortgagee letter or guidance that shall—

11 (A) implement the amendments made by  
12 paragraph (1);

13 (B) clearly set forth all of the specific re-  
14 quirements under section 202(g)(5) of the Na-  
15 tional Housing Act (12 U.S.C. 1708(g)(5)), as  
16 amended by paragraph (1), for approval to con-  
17 duct appraisals on property secured by a mort-  
18 gage to be insured by the Federal Housing Ad-  
19 ministration, which shall include—

20 (i) providing that, before the effective  
21 date of the mortgagee letter or guidance,  
22 compliance with the requirements under  
23 subparagraphs (A), (B), and (C) of such  
24 section 202(g)(5), as amended by para-  
25 graph (1), shall be considered to fulfill the



1 requirements under such subparagraphs;  
2 and

3 (ii) providing a method for appraisers  
4 to demonstrate such prior compliance; and  
5 (C) take effect not later than the date that  
6 is 180 days after the date on which the Sec-  
7 retary issues the mortgagee letter or guidance.

8 (b) ANNUAL REGISTRY FEES FOR APPRAISAL MAN-  
9 AGEMENT COMPANIES.—Section 1109(a) of the Financial  
10 Institutions Reform, Recovery, and Enforcement Act of  
11 1989 (12 U.S.C. 3338(a)) is amended, in the matter fol-  
12 lowing clause (ii) of paragraph (4)(B), by adding at the  
13 end the following: “Subject to the approval of the Council,  
14 the Appraisal Subcommittee may adjust fees established  
15 under clause (i) or (ii) to carry out its functions under  
16 this Act.”.

17 (c) STATE CREDENTIALLED TRAINEES.—

18 (1) MAINTENANCE ON NATIONAL REGISTRY.—  
19 Section 1103(a) of the Financial Institutions Re-  
20 form, Recovery, and Enforcement Act of 1989 (12  
21 U.S.C. 3332(a)) is amended—

22 (A) in paragraph (3)—

23 (i) by inserting “and State  
24 credentialed trainee appraisers” after “li-  
25 censed appraisers”; and

1 (ii) by striking “and” at the end;

2 (B) by striking paragraph (4);

3 (C) by redesignating paragraphs (5) and  
4 (6) as paragraphs (4) and (5), respectively; and

5 (D) in paragraph (4), as so redesignated—

6 (i) by striking “year. The report shall  
7 also detail” and inserting “year, details”;

8 (ii) by striking “provide” and insert-  
9 ing “provides”; and

10 (iii) by striking the period at the end  
11 and inserting “; and”.

12 (2) ANNUAL REGISTRY FEES.—

13 (A) IN GENERAL.—Section 1109 of the Fi-  
14 nancial Institutions Reform, Recovery, and En-  
15 forcement Act of 1989 (12 U.S.C. 3338) is  
16 amended—

17 (i) in the section heading, by striking  
18 “**OR LICENSED**” and inserting “, **LI-**  
19 **CENSED, AND CREDENTIALLED TRAIN-**  
20 **EE**”; and

21 (ii) in subsection (a)—

22 (I) in paragraph (1), by inserting  
23 “, and in the case of a State with a  
24 supervisory or trainee program, a ros-  
25 ter listing individuals who have re-

1                   ceived a State trainee credential”  
2                   after “this title”; and

3                   (II) by striking paragraph (2)  
4                   and inserting the following:

5                   “(2) transmit reports on the issuance and re-  
6                   newal of licenses, certifications, credentials, sanc-  
7                   tions, and disciplinary actions, including license, cre-  
8                   dential, and certification revocations, on a timely  
9                   basis to the national registry of the Appraisal Sub-  
10                  committee;”.

11                  (B) RULE OF CONSTRUCTION.—Nothing in  
12                  the amendments made by subparagraph (A)  
13                  shall require a State to establish or operate a  
14                  program for State credentialed trainee apprais-  
15                  ers, as defined in paragraph (12) of section  
16                  1121 of the Financial Institutions Reform, Re-  
17                  covery, and Enforcement Act of 1989, as added  
18                  by paragraph (4) of this subsection.

19                  (3) TRANSACTIONS REQUIRING THE SERVICES  
20                  OF A STATE CERTIFIED APPRAISER.—Section 1113  
21                  of the Financial Institutions Reform, Recovery, and  
22                  Enforcement Act of 1989 (12 U.S.C. 3342) is  
23                  amended—

1 (A) by striking “In determining” and in-  
 2 serting “(a) IN GENERAL.—In determining”;  
 3 and

4 (B) by adding at the end the following:

5 “(b) USE OF STATE CREDENTIALLED TRAINEE AP-  
 6 PRAISERS.—In performing an appraisal under this sec-  
 7 tion, a State certified appraiser may use the assistance  
 8 of a State credentialed trainee appraiser or an unlicensed  
 9 trainee appraiser, except that a State certified appraiser  
 10 assisted by a trainee shall be liable for final work.”.

11 (4) DEFINITION.—Section 1121 of the Finan-  
 12 cial Institutions Reform, Recovery, and Enforcement  
 13 Act of 1989 (12 U.S.C. 3350) is amended by adding  
 14 at the end the following:

15 “(12) STATE CREDENTIALLED TRAINEE AP-  
 16 PRAISER.—The term ‘State credentialed trainee ap-  
 17 praiser’ means an individual who—

18 “(A) meets the minimum criteria estab-  
 19 lished by the Appraiser Qualification Board for  
 20 a trainee appraiser credential; and

21 “(B) is credentialed by a State appraiser  
 22 certifying and licensing agency.”.

23 (d) GRANTS FOR WORKFORCE AND TRAINING.—Sec-  
 24 tion 1109(b) of the Financial Institutions Reform, Recov-

1 ery, and Enforcement Act of 1989 (12 U.S.C. 3338(b))  
2 is amended—

3           (1) in paragraph (5)(B), by striking “and” at  
4       the end;

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

7           (3) by adding at the end the following:

8           “(7) to make grants to State appraiser certi-  
9       fying and licensing agencies, nonprofit organizations,  
10      and institutions of higher education to support the  
11      carrying out of education and training activities or  
12      other activities related to addressing appraiser in-  
13      dustry workforce needs, including recruiting and re-  
14      taining workforce talent, such as through scholar-  
15      ship assistance and career pipeline development.”.

16       (e) APPRAISAL SUBCOMMITTEE.—Section 1011 of  
17 the Federal Financial Institutions Examination Council  
18 Act of 1978 (12 U.S.C. 3310) is amended, in the first  
19 sentence, by inserting “the Department of Veterans Af-  
20 fairs, the Rural Housing Service of the Department of Ag-  
21 riculture, the Department of Housing and Urban Develop-  
22 ment,” after “Financial Protection,”.

1 **SEC. 404. HELPING MORE FAMILIES SAVE ACT.**

2 Section 23 of the United States Housing Act of 1937  
3 (42 U.S.C. 1437u) is amended by adding at the end the  
4 following:

5 “(p) ESCROW EXPANSION PILOT PROGRAM.—

6 “(1) DEFINITIONS.—In this subsection:

7 “(A) COVERED FAMILY.—The term ‘cov-  
8 ered family’ means a family that receives assist-  
9 ance under section 8 or 9 of this Act and is en-  
10 rolled in the pilot program.

11 “(B) ELIGIBLE ENTITY.—The term ‘eligi-  
12 ble entity’ means an entity described in sub-  
13 section (c)(2).

14 “(C) PILOT PROGRAM.—The term ‘pilot  
15 program’ means the pilot program established  
16 under paragraph (2).

17 “(D) WELFARE ASSISTANCE.—The term  
18 ‘welfare assistance’ has the meaning given the  
19 term in section 984.103 of title 24, Code of  
20 Federal Regulations, or any successor regula-  
21 tion.

22 “(2) ESTABLISHMENT.—The Secretary shall es-  
23 tablish a pilot program under which the Secretary  
24 shall select not more than 25 eligible entities to es-  
25 tablish and manage escrow accounts for not more

1       than 5,000 covered families, in accordance with this  
2       subsection.

3               “(3) ESCROW ACCOUNTS.—

4               “(A) IN GENERAL.—An eligible entity se-  
5       lected to participate in the pilot program—

6               “(i) shall establish an interest-bearing  
7       escrow account and place into the account  
8       an amount equal to any increase in the  
9       amount of rent paid by each covered family  
10      in accordance with the provisions of section  
11      3, 8(o), or 8(y), as applicable, that is at-  
12      tributable to increases in earned income by  
13      the covered families during the participa-  
14      tion of each covered family in the pilot pro-  
15      gram; and

16              “(ii) notwithstanding any other provi-  
17      sion of law, may use funds it controls  
18      under section 8 or 9 for purposes of mak-  
19      ing the escrow deposit for covered families  
20      assisted under, or residing in units assisted  
21      under, section 8 or 9, respectively, pro-  
22      vided such funds are offset by the increase  
23      in the amount of rent paid by the covered  
24      family.

1           “(B) INCOME LIMITATION.—An eligible en-  
2           tity may not escrow any amounts for any cov-  
3           ered family whose adjusted income exceeds 80  
4           percent of the area median income at the time  
5           of enrollment.

6           “(C) WITHDRAWALS.—A covered family  
7           shall be able to withdraw funds, including inter-  
8           est earned, from an escrow account established  
9           by an eligible entity under the pilot program—

10           “(i) after the covered family ceases to  
11           receive welfare assistance; and

12           “(ii)(I) not earlier than the date that  
13           is 5 years after the date on which the eligi-  
14           ble entity establishes the escrow account  
15           under this subsection;

16           “(II) not later than the date that is 7  
17           years after the date on which the eligible  
18           entity establishes the escrow account under  
19           this subsection, if the covered family choos-  
20           es to continue to participate in the pilot  
21           program after the date that is 5 years  
22           after the date on which the eligible entity  
23           establishes the escrow account;

24           “(III) on the date the covered family  
25           ceases to receive housing assistance under



1 section 8 or 9, if such date is earlier than  
2 5 years after the date on which the eligible  
3 entity establishes the escrow account;

4 “(IV) earlier than 5 years after the  
5 date on which the eligible entity establishes  
6 the escrow account, if the covered family is  
7 using the funds to advance a self-suffi-  
8 ciency goal as approved by the eligible enti-  
9 ty; or

10 “(V) under other circumstances in  
11 which the Secretary determines an exemp-  
12 tion for good cause is warranted.

13 “(D) INTERIM RECERTIFICATION.—For  
14 purposes of the pilot program, a covered family  
15 may recertify the income of the covered family  
16 multiple times per year, as determined by the  
17 Secretary, and not fewer than once per year.

18 “(E) CONTRACT OR PLAN.—A covered  
19 family is not required to complete a standard  
20 contract of participation or an individual train-  
21 ing and services plan in order to participate in  
22 the pilot program.

23 “(4) EFFECT OF INCREASES IN FAMILY IN-  
24 COME.—Any increase in the earned income of a cov-  
25 ered family during the enrollment of the family in

1 the pilot program may not be considered as income  
2 or a resource for purposes of eligibility of the family  
3 for other benefits, or amount of benefits payable to  
4 the family, under any program administered by the  
5 Secretary.

6 “(5) APPLICATION.—

7 “(A) IN GENERAL.—An eligible entity  
8 seeking to participate in the pilot program shall  
9 submit to the Secretary an application—

10 “(i) at such time, in such manner,  
11 and containing such information as the  
12 Secretary may require by notice; and

13 “(ii) that includes the number of pro-  
14 posed covered families to be served by the  
15 eligible entity under this subsection.

16 “(B) GEOGRAPHIC AND ENTITY VARI-  
17 ETY.—The Secretary shall ensure that eligible  
18 entities selected to participate in the pilot pro-  
19 gram—

20 “(i) are located across various States  
21 and in both urban and rural areas; and

22 “(ii) vary by size and type, including  
23 both public housing agencies and private  
24 owners of projects receiving project-based  
25 rental assistance under section 8.

1           “(6) NOTIFICATION AND OPT-OUT.—An eligible  
2           entity participating in the pilot program shall—

3                   “(A) notify covered families of their enroll-  
4                   ment in the pilot program;

5                   “(B) provide covered families with a de-  
6                   tailed description of the pilot program, includ-  
7                   ing how the pilot program will impact their rent  
8                   and finances;

9                   “(C) inform covered families that the fami-  
10                  lies cannot simultaneously participate in the  
11                  pilot program and the Family Self-Sufficiency  
12                  program under this section; and

13                  “(D) provide covered families with the abil-  
14                  ity to elect not to participate in the pilot pro-  
15                  gram—

16                       “(i) not less than 2 weeks before the  
17                       date on which the escrow account is estab-  
18                       lished under paragraph (3); and

19                       “(ii) at any point during the duration  
20                       of the pilot program.

21           “(7) MAXIMUM RENTS.—During the term of  
22           participation by a covered family in the pilot pro-  
23           gram, the amount of rent paid by the covered family  
24           shall be calculated under the rental provisions of sec-  
25           tion 3 or 8(o), as applicable.

1 “(8) PILOT PROGRAM TIMELINE.—

2 “(A) AWARDS.—Not later than 18 months  
3 after the date of enactment of this subsection,  
4 the Secretary shall select the eligible entities to  
5 participate in the pilot program.

6 “(B) ESTABLISHMENT AND TERM OF AC-  
7 COUNTS.—An eligible entity selected to partici-  
8 pate in the pilot program shall—

9 “(i) not later than 6 months after se-  
10 lection, establish escrow accounts under  
11 paragraph (3) for covered families; and

12 “(ii) maintain those escrow accounts  
13 for not less than 5 years, or until the date  
14 the family ceases to receive assistance  
15 under section 8 or 9, and, at the discretion  
16 of the covered family, not more than 7  
17 years after the date on which the escrow  
18 account is established.

19 “(9) NONPARTICIPATION AND HOUSING ASSIST-  
20 ANCE.—

21 “(A) IN GENERAL.—Assistance under sec-  
22 tion 8 or 9 for a family that elects not to par-  
23 ticipate in the pilot program shall not be de-  
24 layed or denied by reason of such election.

1           “(B) NO TERMINATION.—Housing assist-  
2           ance may not be terminated as a consequence  
3           of participating, or not participating, in the  
4           pilot program under this subsection for any pe-  
5           riod of time.

6           “(10) STUDY.—Not later than 8 years after the  
7           date the Secretary selects eligible entities to partici-  
8           pate in the pilot program under this subsection, the  
9           Secretary shall conduct a study and submit to the  
10          Committee on Banking, Housing, and Urban Affairs  
11          of the Senate and the Committee on Financial Serv-  
12          ices of the House of Representatives a report on out-  
13          comes for covered families under the pilot program,  
14          which shall evaluate the effectiveness of the pilot  
15          program in assisting families to achieve economic  
16          independence and self-sufficiency, and the impact  
17          coaching and supportive services, or the lack thereof,  
18          had on individual incomes.

19          “(11) WAIVERS.—To allow selected eligible en-  
20          tities to effectively administer the pilot program and  
21          make the required escrow account deposits under  
22          this subsection, the Secretary may waive require-  
23          ments under this section.

1           “(12) TERMINATION.—The pilot program under  
2           this subsection shall terminate on the date that is 10  
3           years after the date of enactment of this subsection.

4           “(13) AUTHORIZATION OF APPROPRIATIONS.—

5                   “(A) IN GENERAL.—There is authorized to  
6           be appropriated to the Secretary for fiscal year  
7           2026 such sums as may be necessary—

8                           “(i) for technical assistance related to  
9                           implementation of the pilot program; and

10                           “(ii) to carry out an evaluation of the  
11           pilot program under paragraph (10).

12                   “(B) AVAILABILITY.—Any amounts appro-  
13           priated under this subsection shall remain avail-  
14           able until expended.”.

15 **SEC. 405. CHOICE IN AFFORDABLE HOUSING ACT.**

16           (a) SATISFACTION OF INSPECTION REQUIREMENTS  
17 THROUGH PARTICIPATION IN OTHER HOUSING PRO-  
18 GRAMS.—Section 8(o)(8) of the United States Housing  
19 Act of 1937 (42 U.S.C. 1437f(o)(8)), as amended by sec-  
20 tion 101(a) of the Housing Opportunity Through Mod-  
21 ernization Act of 2016 (Public Law 114–201; 130 Stat.  
22 783), is amended by adding at the end the following:

23                   “(I) SATISFACTION OF INSPECTION RE-  
24                   QUIREMENTS THROUGH PARTICIPATION IN  
25                   OTHER HOUSING PROGRAMS.—

1                   “(i)   LOW-INCOME   HOUSING   TAX  
2                   CREDIT-FINANCED   BUILDINGS.—A dwell-  
3                   ing unit shall be deemed to meet the in-  
4                   spection requirements under this para-  
5                   graph if—

6                               “(I) the dwelling unit is in a  
7                               building, the acquisition, rehabilita-  
8                               tion, or construction of which was fi-  
9                               nanced by a person who received a  
10                              low-income housing tax credit under  
11                              section 42 of the Internal Revenue  
12                              Code of 1986 in exchange for that fi-  
13                              nancing;

14                             “(II) the dwelling unit was phys-  
15                             ically inspected and passed inspection  
16                             as part of the low-income housing tax  
17                             credit program described in subclause  
18                             (I) during the preceding 12-month pe-  
19                             riod; and

20                             “(III) the applicable public hous-  
21                             ing agency is able to obtain the re-  
22                             sults of the inspection described in  
23                             subclause (II).

24                             “(ii) HOME INVESTMENT PARTNER-  
25                             SHIPS PROGRAM.—A dwelling shall be

1 deemed to meet the inspection require-  
2 ments under this paragraph if—

3 “(I) the dwelling unit is assisted  
4 under the HOME Investment Part-  
5 nerships Program under title II of the  
6 Cranston-Gonzalez National Afford-  
7 able Housing Act (42 U.S.C. 12721 et  
8 seq.);

9 “(II) the dwelling unit was phys-  
10 ically inspected and passed inspection  
11 as part of the program described in  
12 subclause (I) during the preceding 12-  
13 month period; and

14 “(III) the applicable public hous-  
15 ing agency is able to obtain the re-  
16 sults of the inspection described in  
17 subclause (II).

18 “(iii) RURAL HOUSING SERVICE.—A  
19 dwelling unit shall be deemed to meet the  
20 inspection requirements under this para-  
21 graph if—

22 “(I) the dwelling unit is assisted  
23 by the Rural Housing Service of the  
24 Department of Agriculture;



1 “(II) the dwelling unit was phys-  
2 ically inspected and passed inspection  
3 in connection with the assistance de-  
4 scribed in subclause (I) during the  
5 preceding 12-month period; and

6 “(III) the applicable public hous-  
7 ing agency is able to obtain the re-  
8 sults of the inspection described in  
9 subclause (II).

10 “(iv) REMOTE OR VIDEO INSPEC-  
11 TIONS.—When complying with inspection  
12 requirements for a housing unit located in  
13 a rural or small area using assistance  
14 under this subtitle, the Secretary may  
15 allow a grantee to conduct a remote or  
16 video inspection of a unit.

17 “(v) RULE OF CONSTRUCTION.—  
18 Nothing in clause (i), (ii), (iii), or (iv) shall  
19 be construed to affect the operation of a  
20 housing program described in, or author-  
21 ized under a provision of law described in,  
22 that clause.”.

23 (b) PRE-APPROVAL OF UNITS.—Section 8(o)(8)(A)  
24 of the United States Housing Act of 1937 (42 U.S.C.

1 1437f(o)(8)(A)) is amended by adding at the end the fol-  
2 lowing:

3 “(iv) INITIAL INSPECTION PRIOR TO  
4 LEASE AGREEMENT.—

5 “(I) DEFINITION.—In this  
6 clause, the term ‘new landlord’ means  
7 an owner of a dwelling unit who has  
8 not previously entered into a housing  
9 assistance payment contract with a  
10 public housing agency under this sub-  
11 section for any dwelling unit.

12 “(II) EARLY INSPECTION.—Upon  
13 the request of a new landlord, a public  
14 housing agency may inspect the dwell-  
15 ing unit owned by the new landlord to  
16 determine whether the unit meets the  
17 housing quality standards under sub-  
18 paragraph (B) before the unit is se-  
19 lected by a tenant assisted under this  
20 subsection.

21 “(III) EFFECT.—An inspection  
22 conducted under subclause (II) that  
23 determines that the dwelling unit  
24 meets the housing quality standards  
25 under subparagraph (B) shall satisfy

1 this subparagraph and subparagraph  
 2 (C) if the new landlord enters into a  
 3 lease agreement with a tenant assisted  
 4 under this subsection not later than  
 5 60 days after the date of the inspec-  
 6 tion.

7 “(IV) INFORMATION WHEN FAM-  
 8 ILY IS SELECTED.—When a public  
 9 housing agency selects a family to  
 10 participate in the tenant-based assist-  
 11 ance program under this subsection,  
 12 the public housing agency shall in-  
 13 clude in the information provided to  
 14 the family a list of dwelling units that  
 15 have been inspected under subclause  
 16 (II) and determined to meet the hous-  
 17 ing quality standards under subpara-  
 18 graph (B).”.

## 19 **TITLE V—PROGRAM REFORM**

### 20 **SEC. 501. REFORMING DISASTER RECOVERY ACT.**

21 (a) DEFINITIONS.—In this section:

22 (1) DEPARTMENT.—The term “Department”  
 23 means the Department of Housing and Urban De-  
 24 velopment.

1           (2) FUND.—The term “Fund” means the  
2           Long-Term Disaster Recovery Fund established  
3           under subsection (c).

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

6           (b) DUTIES OF THE DEPARTMENT OF HOUSING AND  
7           URBAN DEVELOPMENT.—

8           (1) IN GENERAL.—The offices and officers of  
9           the Department shall be responsible for—

10                   (A) leading and coordinating the disaster-  
11                   related responsibilities of the Department under  
12                   the National Response Framework, the Na-  
13                   tional Disaster Recovery Framework, and the  
14                   National Mitigation Framework;

15                   (B) coordinating and administering pro-  
16                   grams, policies, and activities of the Depart-  
17                   ment related to disaster relief, long-term recov-  
18                   ery, resiliency, and mitigation, including dis-  
19                   aster recovery assistance under title I of the  
20                   Housing and Community Development Act of  
21                   1974 (42 U.S.C. 5301 et seq.);

22                   (C) supporting disaster-impacted commu-  
23                   nities as those communities specifically assess,  
24                   plan for, and address the housing stock and  
25                   housing needs in the transition from emergency

1       shelters and interim housing to permanent  
2       housing of those displaced, especially among  
3       vulnerable populations and extremely low-, low-  
4       , and moderate-income households;

5               (D) collaborating with the Federal Emer-  
6       gency Management Agency and the Small Busi-  
7       ness Administration and across the Department  
8       to align disaster-related regulations and poli-  
9       cies, including incorporation of consensus-based  
10      codes and standards and insurance purchase re-  
11      quirements, and ensuring coordination and re-  
12      ducing duplication among other Federal dis-  
13      aster recovery programs;

14              (E) promoting best practices in mitigation  
15      and resilient land use planning;

16              (F) coordinating technical assistance, in-  
17      cluding mitigation, resiliency, and recovery  
18      training and information on all relevant legal  
19      and regulatory requirements, to entities that re-  
20      ceive disaster recovery assistance under title I  
21      of the Housing and Community Development  
22      Act of 1974 (42 U.S.C. 5301 et seq.) that dem-  
23      onstrate capacity constraints; and

24              (G) supporting State, Tribal, and local  
25      governments in developing, coordinating, and

1 maintaining their capacity for disaster resilience  
2 and recovery and developing pre-disaster recovery  
3 and hazard mitigation plans, in coordination  
4 with the Federal Emergency Management  
5 Agency and other Federal agencies.

6 (2) ESTABLISHMENT OF THE OFFICE OF DIS-  
7 ASTER MANAGEMENT AND RESILIENCY.—Section 4  
8 of the Department of Housing and Urban Develop-  
9 ment Act (42 U.S.C. 3533) is amended by adding at  
10 the end the following:

11 “(i) OFFICE OF DISASTER MANAGEMENT AND RE-  
12 SILIENCY.—

13 “(1) ESTABLISHMENT.—There is established,  
14 in the Office of the Secretary, the Office of Disaster  
15 Management and Resiliency.

16 “(2) DUTIES.—The Office of Disaster Manage-  
17 ment and Resiliency shall—

18 “(A) be responsible for oversight and co-  
19 ordination of all departmental disaster pre-  
20 paredness and response responsibilities; and

21 “(B) coordinate with the Federal Emer-  
22 gency Management Agency, the Small Business  
23 Administration, and the Office of Community  
24 Planning and Development and other offices of  
25 the Department in supporting recovery and re-

1           silience activities to provide a comprehensive  
2           approach in working with communities.”.

3           (c) LONG-TERM DISASTER RECOVERY FUND.—

4           (1) ESTABLISHMENT.—There is established in  
5           the Treasury of the United States an account to be  
6           known as the Long-Term Disaster Recovery Fund.

7           (2) DEPOSITS, TRANSFERS, AND CREDIT.—

8           (A) IN GENERAL.—The Fund shall consist  
9           of amounts appropriated, transferred, and cred-  
10          ited to the Fund.

11          (B) TRANSFERS.—The following may be  
12          transferred to the Fund:

13               (i) Amounts made available through  
14               section 106(c)(4) of the Housing and Com-  
15               munity Development Act of 1974 (42  
16               U.S.C. 5306(c)(4)) as a result of actions  
17               taken under section 104(e), 111, or 124(j)  
18               of such Act.

19               (ii) Any unobligated balances available  
20               until expended remaining or subsequently  
21               recaptured from amounts appropriated for  
22               any disaster and related purposes under  
23               the heading “Community Development  
24               Fund” in any Act prior to the establish-  
25               ment of the Fund.

1 (C) USE OF TRANSFERRED AMOUNTS.—

2 Amounts transferred to the Fund shall be used  
3 for the eligible uses described in paragraph (3).

4 (3) ELIGIBLE USES OF FUND.—

5 (A) IN GENERAL.—Amounts in the Fund  
6 shall be available—

7 (i) to provide assistance in the form of  
8 grants under section 124 of the Housing  
9 and Community Development Act of 1974,  
10 as added by subsection (d); and

11 (ii) for activities of the Department  
12 that support the provision of such assist-  
13 ance, including necessary salaries and ex-  
14 penses, information technology, and capac-  
15 ity building, technical assistance, and pre-  
16 disaster readiness.

17 (B) SET ASIDE.—Of each amount appro-  
18 priated for or transferred to the Fund, 3 per-  
19 cent shall be made available for activities de-  
20 scribed in subparagraph (A)(ii), which shall be  
21 in addition to other amounts made available for  
22 those activities.

23 (C) TRANSFER OF FUNDS.—With respect  
24 to amounts made available for use in accord-  
25 ance with subparagraph (B)—



1 (i) amounts may be transferred to the  
2 account under the heading for “Program  
3 Offices—Salaries and Expenses—Communi-  
4 ty Planning and Development”, or any  
5 successor account, for the Department to  
6 carry out activities described in paragraph  
7 (1)(B); and

8 (ii) amounts may be used for the ac-  
9 tivities described in subparagraph (A)(ii)  
10 and for the administrative costs of admin-  
11 istering any funds appropriated to the De-  
12 partment under the heading “Community  
13 Planning and Development—Community  
14 Development Fund” for any major disaster  
15 declared under section 401 of the Robert  
16 T. Stafford Disaster Relief and Emergency  
17 Assistance Act (42 U.S.C. 5170) in any  
18 Act before the establishment of the Fund.

19 (D) INSPECTOR GENERAL.—

20 (i) IN GENERAL.—Not less than one-  
21 tenth of 1 percent of each series of awards  
22 the Secretary makes from the Fund shall  
23 be transferred to the account under the  
24 heading “Office of Inspector General” for  
25 the Department of Housing and Urban

1 Development to support audit activities  
2 and to investigate grantee noncompliance  
3 with program requirements and waste,  
4 fraud, and abuse as a result of appropria-  
5 tions made available through the Fund.

6 (ii) AVAILABILITY.—Funding under  
7 clause (i) shall not be made available to  
8 the Office of Inspector General until 90  
9 days after the date on which the grantee  
10 plan or supplemental plan for the grantee  
11 is approved by the Secretary under sub-  
12 section (c) or (f)(3)(C) of section 124 of  
13 the Housing and Community Development  
14 Act of 1974, as added by subsection (d), is  
15 approved by the Secretary.

16 (4) INTERCHANGEABILITY OF PRIOR ADMINIS-  
17 TRATIVE AMOUNTS.—Any amounts appropriated in  
18 any Act prior to the establishment of the Fund and  
19 transferred to the account under the heading “Pro-  
20 gram Offices—Salaries and Expenses—Community  
21 Planning and Development”, or any predecessor ac-  
22 count, for the Department for the costs of admin-  
23 istering funds appropriated to the Department under  
24 the heading “Community Planning and Develop-  
25 ment—Community Development Fund” for any

1 major disaster declared under section 401 of the  
2 Robert T. Stafford Disaster Relief and Emergency  
3 Assistance Act (42 U.S.C. 5170) shall be available  
4 for the costs of administering any such funds pro-  
5 vided by any prior or future Act, notwithstanding  
6 the purposes for which those amounts were appro-  
7 priated and in addition to any amount provided for  
8 the same purposes in other appropriations Acts.

9 (5) AVAILABILITY OF AMOUNTS.—Amounts ap-  
10 propriated, transferred, and credited to the Fund  
11 shall remain available until expended.

12 (6) FORMULA ALLOCATION.—Use of amounts  
13 in the Fund for grants shall be made by formula al-  
14 location in accordance with the requirements of sec-  
15 tion 124(a) of the Housing and Community Develop-  
16 ment Act of 1974, as added by subsection (d).

17 (7) AUTHORIZATION OF APPROPRIATIONS.—  
18 There are authorized to be appropriated to the Fund  
19 such sums as may be necessary to respond to cur-  
20 rent or future major disasters declared under section  
21 401 of the Robert T. Stafford Disaster Relief and  
22 Emergency Assistance Act (42 U.S.C. 5179) for  
23 grants under section 124 of the Housing and Com-  
24 munity Development Act of 1974, as added by sub-  
25 section (d).

1       (d) ESTABLISHMENT OF CDBG DISASTER RECOV-  
2     ERY PROGRAM.—Title I of the Housing and Community  
3     Development Act of 1974 (42 U.S.C. 5301 et seq.), as  
4     amended by this Act, is amended—

5             (1) in section 102(a) (42 U.S.C. 5302(a))—

6                 (A) in paragraph (20)—

7                     (i) by redesignating subparagraph (B)  
8                     as subparagraph (C);

9                     (ii) in subparagraph (C), as so redes-  
10                    ignated, by inserting “or (B)” after “sub-  
11                    paragraph (A)”;

12                    (iii) by inserting after subparagraph  
13                    (A) the following:

14                 “(B) The term ‘persons of extremely low in-  
15                 come’ means families and individuals whose income  
16                 levels do not exceed household income levels deter-  
17                 mined by the Secretary under section 3(b)(2) of the  
18                 United States Housing Act of 1937 (42 U.S.C.  
19                 1437a(b)(2)(C)), except that the Secretary may pro-  
20                 vide alternative definitions for the Commonwealth of  
21                 Puerto Rico, Guam, the Commonwealth of the  
22                 Northern Mariana Islands, the United States Virgin  
23                 Islands, and American Samoa.”;

24                 (B) by adding at the end the following:

1           “(25) The term ‘major disaster’ has the mean-  
2           ing given the term in section 102 of the Robert T.  
3           Stafford Disaster Relief and Emergency Assistance  
4           Act (42 U.S.C. 5122).”;

5           (2)    in    section    106(c)(4)    (42    U.S.C.  
6           5306(c)(4))—

7                   (A) in subparagraph (A)—

8                           (i) by striking “declared by the Presi-  
9                           dent under the Robert T. Stafford Disaster  
10                          Relief and Emergency Assistance Act”;

11                          (ii) inserting “States for use in non-  
12                          entitlement areas and to” before “metro-  
13                          politan cities”; and

14                          (iii) inserting “major” after “affected  
15                          by the”;

16                   (B) in subparagraph (C)—

17                           (i) by striking “metropolitan city or”  
18                           and inserting “State, metropolitan city,  
19                           or”;

20                          (ii) by striking “city or county” and  
21                          inserting “State, city, or county”; and

22                          (iii) by inserting “major” before “dis-  
23                          aster”;

1 (C) in subparagraph (D), by striking “met-  
 2 ropolitan cities and” and inserting “States,  
 3 metropolitan cities, and”;

4 (D) in subparagraph (F)—

5 (i) by striking “metropolitan city or”  
 6 and inserting “State, metropolitan city,  
 7 or”; and

8 (ii) by inserting “major” before “dis-  
 9 aster”; and

10 (E) in subparagraph (G), by striking “met-  
 11 ropolitan city or” and inserting “State, metro-  
 12 politan city, or”;

13 (3) in section 122 (42 U.S.C. 5321), by striking  
 14 “disaster under title IV of the Robert T. Stafford  
 15 Disaster Relief and Emergency Assistance Act” and  
 16 inserting “major disaster”; and

17 (4) by adding at the end the following:

18 **“SEC. 124. COMMUNITY DEVELOPMENT BLOCK GRANT DIS-**

19 **ASTER RECOVERY PROGRAM.**

20 “(a) AUTHORIZATION, FORMULA, AND ALLOCA-  
 21 TION.—

22 “(1) AUTHORIZATION.—The Secretary is au-  
 23 thorized to make community development block  
 24 grant disaster recovery grants from the Long-Term  
 25 Disaster Recovery Fund established under section

1        501(c) of the Renewing Opportunity in the Amer-  
2        ican Dream to Housing Act of 2025 (hereinafter re-  
3        ferred to as the ‘Fund’) for necessary expenses for  
4        activities authorized under subsection (f)(1) related  
5        to disaster relief, long-term recovery, restoration of  
6        housing and infrastructure, economic revitalization,  
7        and mitigation in the most impacted and distressed  
8        areas resulting from a catastrophic major disaster.

9            “(2) GRANT AWARDS.—Grants shall be awarded  
10        under this section to States, units of general local  
11        government, and Indian tribes based on capacity and  
12        the concentration of damage, as determined by the  
13        Secretary, to support the efficient and effective ad-  
14        ministration of funds.

15           “(3) SECTION 106 ALLOCATIONS.—Grants  
16        under this section shall not be considered relevant to  
17        the formula allocations made pursuant to section  
18        106.

19           “(4) FEDERAL REGISTER NOTICE.—

20           “(A) IN GENERAL.—Not later than 30  
21        days after the date of enactment of this section,  
22        the Secretary shall issue a notice in the Federal  
23        Register containing the latest formula allocation  
24        methodologies used to determine the total esti-  
25        mate of unmet needs related to housing, eco-

1            nomic revitalization, and infrastructure in the  
2            most impacted and distressed areas resulting  
3            from a catastrophic major disaster.

4            “(B) PUBLIC COMMENT.—If the Secretary  
5            has not already requested public comment on  
6            the formula described in the notice required by  
7            subparagraph (A), the Secretary shall solicit  
8            public comments on—

9            “(i) the methodologies described in  
10            subparagraph (A) and seek alternative  
11            methods for formula allocation within a  
12            similar total amount of funding;

13            “(ii) the impact of formula methodolo-  
14            gies on rural areas and Tribal areas;

15            “(iii) adjustments to improve tar-  
16            geting to the most serious needs;

17            “(iv) objective criteria for grantee ca-  
18            pacity and concentration of damage to in-  
19            form grantee determinations and minimum  
20            allocation thresholds; and

21            “(v) research and data to inform an  
22            additional amount to be provided for miti-  
23            gation depending on type of disaster, which  
24            shall be up to 18 percent of the total esti-  
25            mate of unmet needs.



1 “(5) REGULATIONS.—

2 “(A) IN GENERAL.—The Secretary shall,  
3 by regulation, establish a formula to allocate as-  
4 sistance from the Fund to the most impacted  
5 and distressed areas resulting from a cata-  
6 strophic major disaster.

7 “(B) FORMULA REQUIREMENTS.—The for-  
8 mula established under subparagraph (A)  
9 shall—

10 “(i) set forth criteria to determine  
11 that a major disaster is catastrophic, which  
12 criteria shall consider the presence of a  
13 high concentration of damaged housing or  
14 businesses that individual, State, Tribal,  
15 and local resources could not reasonably be  
16 expected to address without additional  
17 Federal assistance or other nationally en-  
18 compassing data that the Secretary deter-  
19 mines are adequate to assess relative im-  
20 pact and distress across geographic areas;

21 “(ii) include a methodology for identi-  
22 fying most impacted and distressed areas,  
23 which shall consider unmet serious needs  
24 related to housing, economic revitalization,  
25 and infrastructure;

1 “(iii) include an allocation calculation  
2 that considers the unmet serious needs re-  
3 sulting from the catastrophic major dis-  
4 aster and an additional amount up to 18  
5 percent for activities to reduce risks of loss  
6 resulting from other natural disasters in  
7 the most impacted and distressed area, pri-  
8 marily for the benefit of low- and mod-  
9 erate-income persons, with particular focus  
10 on activities that reduce repetitive loss of  
11 property and critical infrastructure; and

12 “(iv) establish objective criteria for  
13 periodic review and updates to the formula  
14 to reflect changes in available data.

15 “(C) MINIMUM ALLOCATION THRESH-  
16 OLD.—The Secretary shall, by regulation, es-  
17 tablish a minimum allocation threshold.

18 “(D) INTERIM ALLOCATION.—Until such  
19 time that the Secretary issues final regulations  
20 under this paragraph, the Secretary shall—

21 “(i) allocate assistance from the Fund  
22 using the formula allocation methodology  
23 published in accordance with paragraph  
24 (4); and

1 “(ii) include an additional amount for  
2 mitigation of up to 18 percent of the total  
3 estimate of unmet need.

4 “(6) ALLOCATION OF FUNDS.—

5 “(A) IN GENERAL.—The Secretary shall—

6 “(i) except as provided in clause (ii),  
7 not later than 90 days after the President  
8 declares a major disaster, use best avail-  
9 able data to determine whether the major  
10 disaster is catastrophic and qualifies for  
11 assistance under the formula described in  
12 paragraph (4) or (5), unless data is insuf-  
13 ficient to make this determination; and

14 “(ii) if the best available data is insuf-  
15 ficient to make the determination required  
16 under clause (i) within the 90-day period  
17 described in that clause, the Secretary  
18 shall determine whether the major disaster  
19 qualifies when sufficient data becomes  
20 available, but in no case shall the Sec-  
21 retary make the determination later than  
22 120 days after the declaration of the major  
23 disaster.

24 “(B) ANNOUNCEMENT OF ALLOCATION.—

25 If amounts are available in the Fund at the

1 time the Secretary determines that the major  
2 disaster is catastrophic and qualifies for assist-  
3 ance under the formula described in paragraph  
4 (4) or (5), the Secretary shall immediately an-  
5 nounce an allocation for a grant under this sec-  
6 tion.

7 “(C) ADDITIONAL AMOUNTS.—If addi-  
8 tional amounts are appropriated to the Fund  
9 after amounts are allocated under subpara-  
10 graph (B), the Secretary shall announce an al-  
11 location or additional allocation (if a prior allo-  
12 cation under subparagraph (B) was less than  
13 the formula calculation) within 15 days of any  
14 such appropriation.

15 “(7) PRELIMINARY FUNDING.—

16 “(A) IN GENERAL.—To speed recovery, the  
17 Secretary is authorized to allocate and award  
18 preliminary grants from the Fund before mak-  
19 ing a determination under paragraph (6)(A) if  
20 the Secretary projects, based on a preliminary  
21 assessment of impact and distress, that a major  
22 disaster is catastrophic and would likely qualify  
23 for funding under the formula described in  
24 paragraph (4) or (5).

25 “(B) AMOUNT.—

1           “(i) MAXIMUM.—The Secretary may  
2           award preliminary funding under subpara-  
3           graph (A) in an amount that is not more  
4           than \$5,000,000.

5           “(ii) SLIDING SCALE.—The Secretary  
6           shall, by regulation, establish a sliding  
7           scale for preliminary funding awarded  
8           under subparagraph (A) based on the size  
9           of the preliminary assessment of impact  
10          and distress.

11          “(C) USE OF FUNDS.—The uses of pre-  
12          liminary funding awarded under subparagraph  
13          (A) shall be limited to eligible activities that—

14               “(i) in the determination of the Sec-  
15               retary, will support faster recovery, im-  
16               prove the ability of the grantee to assess  
17               unmet recovery needs, plan for the preven-  
18               tion of improper payments, and reduce  
19               fraud, waste, and abuse; and

20               “(ii) may include evaluating the in-  
21               terim housing, permanent housing, and  
22               supportive service needs of the disaster im-  
23               pacted community, with special attention  
24               to vulnerable populations, such as homeless  
25               and low- to moderate-income households,

1 to inform the grantee action plan required  
2 under subsection (c).

3 “(D) CONSIDERATION OF FUNDING.—Pre-  
4 liminary funding awarded under subparagraph  
5 (A)—

6 “(i) is not subject to the certification  
7 requirements of subsection (h)(1); and

8 “(ii) shall not be considered when cal-  
9 culating the amount of the grant used for  
10 administrative costs, technical assistance,  
11 and planning activities that are subject to  
12 the requirements under subsection (f)(2).

13 “(E) WAIVER.—To expedite the use of  
14 preliminary funding for activities described in  
15 this paragraph, the Secretary may waive or  
16 specify alternative requirements to the require-  
17 ments of this section in accordance with sub-  
18 section (i).

19 “(F) AMENDED AWARD.—

20 “(i) IN GENERAL.—An award for pre-  
21 liminary funding under subparagraph (A)  
22 may be amended to add any subsequent  
23 amount awarded because of a determina-  
24 tion by the Secretary that a major disaster

1 is catastrophic and qualifies for assistance  
2 under the formula.

3 “(ii) APPLICABILITY.—Notwith-  
4 standing subparagraph (D), amounts pro-  
5 vided by an amendment under clause (i)  
6 are subject to the requirements under sub-  
7 sections (f)(1) and (h)(1) and other re-  
8 quirements on grant funds under this sec-  
9 tion.

10 “(G) TECHNICAL ASSISTANCE.—Concur-  
11 rent with the allocation of any preliminary  
12 funding awarded under this paragraph, the Sec-  
13 retary shall assign or provide technical assist-  
14 ance to the recipient of the grant.

15 “(b) INTERCHANGEABILITY.—

16 “(1) IN GENERAL.—The Secretary is authorized  
17 to approve the use of grants under this section to be  
18 used interchangeably and without limitation for the  
19 same activities in the most impacted and distressed  
20 areas resulting from a declaration of another cata-  
21 strophic major disaster that qualifies for assistance  
22 under the formula established under paragraph (4)  
23 or (5) of subsection (a) or a major disaster for  
24 which the Secretary allocated funds made available

1 under the heading ‘Community Development Fund’  
2 in any Act prior to the establishment of the Fund.

3 “(2) REQUIREMENTS.—The Secretary shall es-  
4 tablish requirements to expedite the use of grants  
5 under this section for the purpose described in para-  
6 graph (1).

7 “(3) EMERGENCY DESIGNATION.—Amounts  
8 repurposed pursuant to this subsection that were  
9 previously designated by Congress as an emergency  
10 requirement pursuant to the Balanced Budget and  
11 Emergency Deficit Control Act of 1985 or a concur-  
12 rent resolution on the budget are designated by the  
13 Congress as being for an emergency requirement  
14 pursuant to section 4001(a)(1) of S. Con. Res. 14  
15 (117th Congress), the concurrent resolution on the  
16 budget for fiscal year 2022, and to legislation estab-  
17 lishing fiscal year 2026 budget enforcement in the  
18 House of Representatives.

19 “(c) GRANTEE PLANS.—

20 “(1) REQUIREMENT.—Not later than 90 days  
21 after the date on which the Secretary announces a  
22 grant allocation under this section, unless an exten-  
23 sion is granted by the Secretary, the grantee shall  
24 submit to the Secretary a plan for approval describ-  
25 ing—



1           “(A) the activities the grantee will carry  
2 out with the grant under this section;

3           “(B) the criteria of the grantee for award-  
4 ing assistance and selecting activities;

5           “(C) how the use of the grant under this  
6 section will address disaster relief, long-term re-  
7 covery, restoration of housing and infrastruc-  
8 ture, economic revitalization, and mitigation in  
9 the most impacted and distressed areas;

10           “(D) how the use of the grant funds for  
11 mitigation is consistent with hazard mitigation  
12 plans submitted to the Federal Emergency  
13 Management Agency under section 322 of the  
14 Robert T. Stafford Disaster Relief and Emer-  
15 gency Assistance Act (42 U.S.C. 5165);

16           “(E) the estimated amount proposed to be  
17 used for activities that will benefit persons of  
18 low and moderate income;

19           “(F) how the use of grant funds will repair  
20 and replace existing housing stock for vulner-  
21 able populations, including low- to moderate-in-  
22 come households;

23           “(G) how the grantee will address the pri-  
24 orities described in paragraph (5);

1           “(H) how uses of funds are proportional to  
2           unmet needs, as required under paragraph (6);

3           “(I) for State grantees that plan to dis-  
4           tribute grant amounts to units of general local  
5           government, a description of the method of dis-  
6           tribution; and

7           “(J) such other information as may be de-  
8           termined by the Secretary in regulation.

9           “(2) PUBLIC CONSULTATION.—To permit pub-  
10          lic examination and appraisal of the plan described  
11          in paragraph (1), to enhance the public account-  
12          ability of grantee, and to facilitate coordination of  
13          activities with different levels of government, when  
14          developing the plan or substantial amendments pro-  
15          posed to the plan required under paragraph (1), a  
16          grantee shall—

17               “(A) publish the plan before adoption;

18               “(B) provide citizens, affected units of  
19               general local government, and other interested  
20               parties with reasonable notice of, and oppor-  
21               tunity to comment on, the plan, with a public  
22               comment period of not less than 14 days;

23               “(C) consider comments received before  
24               submission to the Secretary;

1           “(D) follow a citizen participation plan for  
2           disaster assistance adopted by the grantee that,  
3           at a minimum, provides for participation of  
4           residents of the most impacted and distressed  
5           area affected by the major disaster that re-  
6           sulted in the grant under this section and other  
7           considerations established by the Secretary; and

8           “(E) undertake any consultation with in-  
9           terested parties as may be determined by the  
10          Secretary in regulation.

11         “(3) APPROVAL.—The Secretary shall—

12                 “(A) by regulation, specify criteria for the  
13                 approval, partial approval, or disapproval of a  
14                 plan submitted under paragraph (1), including  
15                 approval of substantial amendments to the  
16                 plan;

17                 “(B) review a plan submitted under para-  
18                 graph (1) upon receipt of the plan;

19                 “(C) allow a grantee to revise and resub-  
20                 mit a plan or substantial amendment to a plan  
21                 under paragraph (1) that the Secretary dis-  
22                 approves;

23                 “(D) by regulation, specify criteria for  
24                 when the grantee shall be required to provide  
25                 the required revisions to a disapproved plan or

1 substantial amendment under paragraph (1) for  
2 public comment prior to resubmission of the  
3 plan or substantial amendment to the Sec-  
4 retary; and

5 “(E) approve, partially approve, or dis-  
6 approve a plan or substantial amendment under  
7 paragraph (1) not later than 60 days after the  
8 date on which the plan or substantial amend-  
9 ment is received by the Secretary.

10 “(4) LOW- AND MODERATE-INCOME OVERALL  
11 BENEFIT.—

12 “(A) USE OF FUNDS.—Not less than 70  
13 percent of a grant made under this section shall  
14 be used for activities that benefit persons of low  
15 and moderate income unless the Secretary—

16 “(i) specifically finds that—

17 “(I) there is compelling need to  
18 reduce the percentage for the grant;  
19 and

20 “(II) the housing needs of low-  
21 and moderate-income persons have  
22 been addressed; and

23 “(ii) issues a waiver and alternative  
24 requirement specific to the grant pursuant  
25 to subsection (i) to lower the percentage.

1           “(B) REGULATIONS.—The Secretary shall,  
2           by regulation, establish protocols that reflect  
3           the required use of funds under subparagraph  
4           (A), including persons with extremely and very  
5           low incomes.

6           “(5) PRIORITIZATION.—The grantee shall  
7           prioritize activities that—

8           “(A) assist persons with extremely low-,  
9           low-, and moderate-incomes and other vulner-  
10          able populations to better recover from and  
11          withstand future disasters;

12          “(B) address housing needs arising from a  
13          disaster, or those needs present prior to a dis-  
14          aster, including the needs of both renters and  
15          homeowners;

16          “(C) prolong the life of housing and infra-  
17          structure;

18          “(D) use cost-effective means of preventing  
19          harm to people and property and incorporate  
20          protective features and redundancies; and

21          “(E) other measures that will assure the  
22          continuation of critical services during future  
23          disasters.

24          “(6) PROPORTIONAL ALLOCATION.—For each  
25          specific disaster, a grantee under this section shall

1 allocate grant funds proportional to unmet needs be-  
2 tween housing activities for renters and homeowners,  
3 economic revitalization, and infrastructure unless the  
4 Secretary specifically finds that—

5 “(A) there is a compelling need for a dis-  
6 proportional allocation among those unmet  
7 needs; and

8 “(B) the disproportional allocation de-  
9 scribed in subparagraph (A) is not inconsistent  
10 with the requirements under paragraph (4).

11 “(7) DISASTER RISK MITIGATION.—

12 “(A) DEFINITION.—In this paragraph, the  
13 term ‘hazard-prone areas’—

14 “(i) means areas identified by the  
15 Secretary, in consultation with the Admin-  
16 istrator of the Federal Emergency Man-  
17 agement Agency, at risk from natural haz-  
18 ards that threaten property damage or  
19 health, safety, and welfare, such as floods,  
20 wildfires (including Wildland-Urban Inter-  
21 face areas), earthquakes, lava inundation,  
22 tornados, and high winds; and

23 “(ii) includes areas having special  
24 flood hazards as identified under the Flood  
25 Disaster Protection Act of 1973 (42

1 U.S.C. 4002 et seq.) or the National Flood  
2 Insurance Act of 1968 (42 U.S.C. 4001 et  
3 seq.).

4 “(B) HAZARD-PRONE AREAS.—The Sec-  
5 retary, in consultation with the Administrator  
6 of the Federal Emergency Management Agency,  
7 shall establish minimum construction standards,  
8 insurance purchase requirements, and other re-  
9 quirements for the use of grant funds in haz-  
10 ard-prone areas.

11 “(C) SPECIAL FLOOD HAZARDS.—

12 “(i) IN GENERAL.—For the areas de-  
13 scribed in subparagraph (A)(ii), the insur-  
14 ance purchase requirements established  
15 under subparagraph (B) shall meet or ex-  
16 ceed the requirements under section 102(a)  
17 of the Flood Disaster Protection Act of  
18 1973 (42 U.S.C. 4012a(a)).

19 “(ii) TREATMENT AS FINANCIAL AS-  
20 SISTANCE.—All grants under this section  
21 shall be treated as financial assistance for  
22 purposes of section 3(a)(3) of the Flood  
23 Disaster Protection Act of 1973 (42  
24 U.S.C. 4003(a)(3)).

1           “(D) CONSIDERATION OF FUTURE  
2 RISKS.—The Secretary may consider future  
3 risks to protecting property and health, safety,  
4 and general welfare, and the likelihood of those  
5 risks, when making the determination of or  
6 modification to hazard-prone areas under this  
7 paragraph.

8           “(8) RELOCATION.—

9           “(A) IN GENERAL.—The Uniform Reloca-  
10 tion Assistance and Real Property Acquisition  
11 Policies Act of 1970 (42 U.S.C. 4601 et seq.)  
12 shall apply to activities assisted under this sec-  
13 tion to the extent determined by the Secretary  
14 in regulation, or as provided in waivers or alter-  
15 native requirements authorized in accordance  
16 with subsection (i).

17           “(B) POLICY.—Each grantee under this  
18 section shall establish a relocation assistance  
19 policy that—

20           “(i) minimizes displacement and de-  
21 scribes the benefits available to persons  
22 displaced as a direct result of acquisition,  
23 rehabilitation, or demolition in connection  
24 with an activity that is assisted by a grant  
25 under this section; and



1                   “(ii) includes any appeal rights or  
2                   other requirements that the Secretary es-  
3                   tablishes by regulation.

4           “(d) CERTIFICATIONS.—Any grant under this section  
5 shall be made only if the grantee certifies to the satisfac-  
6 tion of the Secretary that—

7                   “(1) the grantee is in full compliance with the  
8                   requirements under subsection (c)(2);

9                   “(2) for grants other than grants to Indian  
10                  tribes, the grant will be conducted and administered  
11                  in conformity with the Civil Rights Act of 1964 (42  
12                  U.S.C. 2000a et seq.) and the Fair Housing Act (42  
13                  U.S.C. 3601 et seq.);

14                  “(3) the projected use of funds has been devel-  
15                  oped so as to give maximum feasible priority to ac-  
16                  tivities that will benefit recipients described in sub-  
17                  section (c)(4)(A) and activities described in sub-  
18                  section (c)(5), and may also include activities that  
19                  are designed to aid in the prevention or elimination  
20                  of slum and blight to support disaster recovery, meet  
21                  other community development needs having a par-  
22                  ticular urgency because existing conditions pose a  
23                  serious and immediate threat to the health or wel-  
24                  fare of the community where other financial re-  
25                  sources are not available to meet such needs, and al-

1       leviate future threats to human populations, critical  
2       natural resources, and property that an analysis of  
3       hazards shows are likely to result from natural dis-  
4       asters in the future;

5               “(4) the grant funds shall principally benefit  
6       persons of low- and moderate-income as described in  
7       subsection (c)(4)(A);

8               “(5) for grants other than grants to Indian  
9       tribes, within 24 months of receiving a grant or at  
10      the time of its 3- or 5-year update, whichever is  
11      sooner, the grantee will review and make modifica-  
12      tions to its non-disaster housing and community de-  
13      velopment plans and strategies required by sub-  
14      sections (c) and (m) of section 104 to reflect the dis-  
15      aster recovery needs identified by the grantee and  
16      consistency with the plan under subsection (c)(1);

17              “(6) the grantee will not attempt to recover any  
18      capital costs of public improvements assisted in  
19      whole or part under this section by assessing any  
20      amount against properties owned and occupied by  
21      persons of low and moderate income, including any  
22      fee charged or assessment made as a condition of  
23      obtaining access to such public improvements, un-  
24      less—

1           “(A) funds received under this section are  
2           used to pay the proportion of such fee or as-  
3           sessment that relates to the capital costs of  
4           such public improvements that are financed  
5           from revenue sources other than under this  
6           chapter; or

7           “(B) for purposes of assessing any amount  
8           against properties owned and occupied by per-  
9           sons of moderate income, the grantee certifies  
10          to the Secretary that the grantee lacks suffi-  
11          cient funds received under this section to com-  
12          ply with the requirements of subparagraph (A);

13          “(7) the grantee will comply with the other pro-  
14          visions of this title that apply to assistance under  
15          this section and with other applicable laws;

16          “(8) the grantee will follow a relocation assist-  
17          ance policy that includes any minimum requirements  
18          identified by the Secretary; and

19          “(9) the grantee will adhere to construction  
20          standards, insurance purchase requirements, and  
21          other requirements for development in hazard-prone  
22          areas described in subsection (c)(7).

23          “(e) PERFORMANCE REVIEWS AND REPORTING.—

24                 “(1) IN GENERAL.—The Secretary shall, on not  
25          less frequently than an annual basis until the close-

1 out of a particular grant allocation, make such re-  
2 views and audits as may be necessary or appropriate  
3 to determine whether a grantee under this section  
4 has—

5 “(A) carried out activities using grant  
6 funds in a timely manner;

7 “(B) met the performance targets estab-  
8 lished by paragraph (2);

9 “(C) carried out activities using grant  
10 funds in accordance with the requirements of  
11 this section, the other provisions of this title  
12 that apply to assistance under this section, and  
13 other applicable laws; and

14 “(D) a continuing capacity to carry out ac-  
15 tivities in a timely manner.

16 “(2) PERFORMANCE TARGETS.—The Secretary  
17 shall develop and make publicly available critical  
18 performance targets for review, which shall include  
19 spending thresholds for each year from the date on  
20 which funds are obligated by the Secretary to the  
21 grantee until such time all funds have been ex-  
22 pended.

23 “(3) FAILURE TO MEET TARGETS.—

24 “(A) SUSPENSION.—If a grantee under  
25 this section fails to meet 1 or more critical per-

1 formance targets under paragraph (2), the Sec-  
2 retary may temporarily suspend the grant.

3 “(B) PERFORMANCE IMPROVEMENT  
4 PLAN.—If the Secretary suspends a grant  
5 under subparagraph (A), the Secretary shall  
6 provide to the grantee a performance improve-  
7 ment plan with the specific requirements needed  
8 to lift the suspension within a defined time pe-  
9 riod.

10 “(C) REPORT.—If a grantee fails to meet  
11 the spending thresholds established under para-  
12 graph (2), the grantee shall submit to the Sec-  
13 retary, the appropriate committees of Congress,  
14 and each member of Congress who represents a  
15 district or State of the grantee a written report  
16 identifying technical capacity, funding, or other  
17 Federal or State impediments affecting the abil-  
18 ity of the grantee to meet the spending thresh-  
19 olds.

20 “(4) COLLECTION OF INFORMATION AND RE-  
21 PORTING.—

22 “(A) REQUIREMENT TO REPORT.—A  
23 grantee under this section shall provide to the  
24 Secretary such information as the Secretary

1 may determine necessary for adequate oversight  
2 of the grant program under this section.

3 “(B) PUBLIC AVAILABILITY.—Subject to  
4 subparagraph (D), the Secretary shall make in-  
5 formation submitted under subparagraph (A)  
6 available to the public and to the Inspector  
7 General for the Department of Housing and  
8 Urban Development.

9 “(C) SUMMARY STATUS REPORTS.—To in-  
10 crease transparency and accountability of the  
11 grant program under this section the Secretary  
12 shall, on not less frequently than an annual  
13 basis, post on a public facing dashboard sum-  
14 mary status reports for all active grants under  
15 this section that includes—

16 “(i) the status of funds by activity;

17 “(ii) the percentages of funds allo-  
18 cated and expended to benefit low- and  
19 moderate-income communities;

20 “(iii) performance targets, spending  
21 thresholds, and accomplishments; and

22 “(iv) other information the Secretary  
23 determines to be relevant for transparency.

24 “(D) CONSIDERATIONS.—In carrying out  
25 this paragraph, the Secretary shall take such

1 actions as may be necessary to ensure that per-  
2 sonally identifiable information regarding appli-  
3 cants for assistance provided from funds made  
4 available under this section is not made publicly  
5 available.

6 “(E) RESEARCH PARTNERSHIPS.—

7 “(i) IN GENERAL.—The Secretary  
8 may, upon a formal request from research-  
9 ers, make disaggregated information avail-  
10 able to the requestor that is specific and  
11 relevant to the research being conducted,  
12 and for the purposes of researching pro-  
13 gram impact and efficacy.

14 “(ii) PRIVACY PROTECTIONS.—In  
15 making information available under clause  
16 (i), the Secretary shall protect personally  
17 identifiable information as required under  
18 section 552a of title 5, United States Code  
19 (commonly known as the ‘Privacy Act of  
20 1974’).

21 “(f) ELIGIBLE ACTIVITIES.—

22 “(1) IN GENERAL.—Activities assisted under  
23 this section—

24 “(A) may include activities permitted  
25 under section 105 or other activities permitted

1 by the Secretary by waiver or alternative re-  
2 quirement pursuant to subsection (i); and

3 “(B) shall be related to disaster relief,  
4 long-term recovery, restoration of housing and  
5 infrastructure, economic revitalization, and  
6 mitigation in the most impacted and distressed  
7 areas resulting from the major disaster for  
8 which the grant was awarded.

9 “(2) PROHIBITION.—Grant funds under this  
10 section may not be used for costs reimbursable by,  
11 or for which funds have been made available by, the  
12 Federal Emergency Management Agency, or the  
13 United States Army Corps of Engineers.

14 “(3) ADMINISTRATIVE COSTS, TECHNICAL AS-  
15 SISTANCE AND PLANNING.—

16 “(A) IN GENERAL.—The Secretary shall  
17 establish in regulation the maximum grant  
18 amounts a grantee may use for administrative  
19 costs, technical assistance and planning activi-  
20 ties, taking into consideration size of grant,  
21 complexity of recovery, and other factors as de-  
22 termined by the Secretary, but not to exceed 8  
23 percent for administration and 20 percent in  
24 total.



1           “(B) AVAILABILITY.—Amounts available  
2           for administrative costs for a grant under this  
3           section shall be available for eligible administra-  
4           tive costs of the grantee for any grant made  
5           under this section, without regard to a par-  
6           ticular disaster.

7           “(C) SUPPLEMENTAL PLAN.—

8           “(i) IN GENERAL.—Grantees may  
9           submit to the Secretary an optional supple-  
10          mental plan to the grantee plan required  
11          under this title specifically for administra-  
12          tive costs, which shall include a description  
13          of the use of all grant funds for adminis-  
14          trative costs, including for any eligible pre-  
15          award program administrative costs, and  
16          how such uses will prepare the grantee to  
17          more effectively and expeditiously admin-  
18          ister funds provided under the full plan.

19          “(ii) USE OF FUNDS.—If a supple-  
20          mental plan is approved under clause (i), a  
21          grantee may draw down the aforemen-  
22          tioned administrative funds before the full  
23          grantee plan is approved.

24          “(iii) WAIVERS.—In carrying out this  
25          subparagraph, the Secretary may include

1           any waivers or alternative requirements in  
2           accordance with subsection (i).

3           “(4) PROGRAM INCOME.—Notwithstanding any  
4           other provision of law, any grantee under this sec-  
5           tion may retain program income that is realized  
6           from grants made by the Secretary under this sec-  
7           tion if the grantee agrees that the grantee will uti-  
8           lize the program income in accordance with the re-  
9           quirements for grants under this section, except that  
10          the Secretary may—

11           “(A) by regulation, exclude from consider-  
12           ation as program income any amounts deter-  
13           mined to be so small that compliance with this  
14           paragraph creates an unreasonable administra-  
15           tive burden on the grantee; or

16           “(B) permit the grantee to transfer re-  
17           maining program income to the other grants of  
18           the grantee under this title upon closeout of the  
19           grant.

20           “(5) PROHIBITION ON USE OF ASSISTANCE FOR  
21          EMPLOYMENT RELOCATION ACTIVITIES.—

22           “(A) IN GENERAL.—Grants under this sec-  
23           tion may not be used to assist directly in the  
24           relocation of any industrial or commercial plant,  
25           facility, or operation, from one area to another

1 area, if the relocation is likely to result in a sig-  
2 nificant loss of employment in the labor market  
3 area from which the relocation occurs.

4 “(B) APPLICABILITY.—The prohibition  
5 under subparagraph (A) shall not apply to a  
6 business that was operating in the disaster-de-  
7 clared labor market area before the incident  
8 date of the applicable disaster and has since  
9 moved, in whole or in part, from the affected  
10 area to another State or to a labor market area  
11 within the same State to continue business.

12 “(6) REQUIREMENTS.—Grants under this sec-  
13 tion are subject to the requirements of this section,  
14 the other provisions of this title that apply to assist-  
15 ance under this section, and other applicable laws,  
16 unless modified by waivers or alternative require-  
17 ments in accordance with subsection (i).

18 “(g) ENVIRONMENTAL REVIEW.—

19 “(1) ADOPTION.—A recipient of funds provided  
20 under this section that uses the funds to supplement  
21 Federal assistance provided under section 203, 402,  
22 403, 404, 406, 407, 408(c)(4), 428, or 502 of the  
23 Robert T. Stafford Disaster Relief and Emergency  
24 Assistance Act (42 U.S.C. 5170a, 5170b, 5170c,  
25 5172, 5173, 5174(c)(4), 5189f, 5192) may adopt,

1 without review or public comment, any environ-  
2 mental review, approval, or permit performed by a  
3 Federal agency, and such adoption shall satisfy the  
4 responsibilities of the recipient with respect to such  
5 environmental review, approval, or permit under sec-  
6 tion 104(g)(1), so long as the actions covered by the  
7 existing environmental review, approval, or permit  
8 and the actions proposed for these supplemental  
9 funds are substantially the same.

10 “(2) APPROVAL OF RELEASE OF FUNDS.—Not-  
11 withstanding section 104(g)(2), the Secretary or a  
12 State may, upon receipt of a request for release of  
13 funds and certification, immediately approve the re-  
14 lease of funds for an activity or project to be as-  
15 sisted under this section if the recipient has adopted  
16 an environmental review, approval, or permit under  
17 paragraph (1) or the activity or project is categori-  
18 cally excluded from review under the National Envi-  
19 ronmental Policy Act of 1969 (42 U.S.C. 4321 et  
20 seq.).

21 “(3) UNITS OF GENERAL LOCAL GOVERN-  
22 MENT.—The provisions of section 104(g)(4) shall  
23 apply to assistance under this section that a State  
24 distributes to a unit of general local government.

25 “(h) FINANCIAL CONTROLS AND PROCEDURES.—

1           “(1) IN GENERAL.—The Secretary shall develop  
2 requirements and procedures to demonstrate that a  
3 grantee under this section—

4                   “(A) has adequate financial controls and  
5 procurement processes;

6                   “(B) has adequate procedures to detect  
7 and prevent fraud, waste, abuse, and duplica-  
8 tion of benefit; and

9                   “(C) maintains a comprehensive and pub-  
10 licly accessible website.

11           “(2) CERTIFICATION.—Before making a grant  
12 under this section, the Secretary shall certify that  
13 the grantee has in place proficient processes and  
14 procedures to comply with the requirements devel-  
15 oped under paragraph (1), as determined by the  
16 Secretary.

17           “(3) COMPLIANCE BEFORE ALLOCATION.—The  
18 Secretary may permit a State, unit of general local  
19 government, or Indian tribe to demonstrate compli-  
20 ance with the requirements for adequate financial  
21 controls developed under paragraph (1) before a dis-  
22 aster occurs and before receiving an allocation for a  
23 grant under this section.

24           “(4) DUPLICATION OF BENEFITS.—

1           “(A) IN GENERAL.—Funds made available  
2           under this section shall be used in accordance  
3           with section 312 of the Robert T. Stafford Dis-  
4           aster Relief and Emergency Assistance Act (42  
5           U.S.C. 5155), as amended by section 1210 of  
6           the Disaster Recovery Reform Act of 2018 (di-  
7           vision D of Public Law 115–254), and such  
8           rules as may be prescribed under such section  
9           312.

10           “(B) PENALTIES.—In any case in which  
11           the use of grant funds under this section results  
12           in a prohibited duplication of benefits, the  
13           grantee shall—

14                   “(i) apply an amount equal to the  
15                   identified duplication to any allowable costs  
16                   of the award consistent with actual, imme-  
17                   diate cash requirement;

18                   “(ii) remit any excess amounts to the  
19                   Secretary to be credited to the obligated,  
20                   undisbursed balance of the grant con-  
21                   sistent with requirements on Federal pay-  
22                   ments applicable to such grantee; and

23                   “(iii) if excess amounts under clause  
24                   (ii) are identified after the period of per-  
25                   formance or after the closeout of the

1           award, remit such amounts to the Sec-  
2           retary to be credited to the Fund.

3           “(C) FAILURE TO COMPLY.—Any grantee  
4           provided funds under this section or from prior  
5           Appropriations Acts under the heading ‘Com-  
6           munity Development Fund’ for purposes related  
7           to major disasters that fails to comply with sec-  
8           tion 312 of the Robert T. Stafford Disaster Re-  
9           lief and Emergency Assistance Act (42 U.S.C.  
10          5155) or fails to satisfy penalties to resolve a  
11          duplication of benefits shall be subject to rem-  
12          edies for noncompliance under section 111, un-  
13          less the Secretary publishes a determination in  
14          the Federal Register that it is not in the best  
15          interest of the Federal Government to pursue  
16          remedial actions.

17          “(i) WAIVERS AND ALTERNATIVE REQUIREMENTS.—

18               “(1) IN GENERAL.—In administering grants  
19           under this section, the Secretary may waive, or  
20           specify alternative requirements for, any provision of  
21           any statute or regulation that the Secretary admin-  
22           isters in connection with the obligation by the Sec-  
23           retary or the use by the grantee of those funds (ex-  
24           cept for requirements related to fair housing, non-  
25           discrimination, labor standards, the environment,

1 and the requirements of this section that do not ex-  
2 pressly authorize modifications by waiver or alter-  
3 native requirement), if the Secretary makes a public  
4 finding that good cause exists for the waiver or al-  
5 ternative requirement.

6 “(2) EFFECTIVE DATE.—A waiver or alter-  
7 native requirement described in paragraph (1) shall  
8 not take effect before the date that is 5 days after  
9 the date of publication of the waiver or alternative  
10 requirement on the website of the Department of  
11 Housing and Urban Development or the effective  
12 date for any regulation published in the Federal  
13 Register.

14 “(3) PUBLIC NOTIFICATION.—The Secretary  
15 shall notify the public of all waivers or alternative  
16 requirements described in paragraph (1) in accord-  
17 ance with the requirements of section 7(q)(3) of the  
18 Department of Housing and Urban Development  
19 Act (42 U.S.C. 3535(q)(3)).

20 “(j) UNUSED AMOUNTS.—

21 “(1) DEADLINE TO USE AMOUNTS.—A grantee  
22 under this section shall use an amount equal to the  
23 grant within 6 years beginning on the date on which  
24 the Secretary obligates the amounts to the grantee,



1 as such period may be extended under paragraph  
2 (4).

3 “(2) RECAPTURE.—The Secretary shall recap-  
4 ture and credit to the Fund any amount that is un-  
5 used by a grantee under this section upon the earlier  
6 of—

7 “(A) the date on which the grantee notifies  
8 the Secretary that the grantee has completed all  
9 activities identified in the disaster grantee’s  
10 plan under subsection (c); or

11 “(B) the expiration of the 6-year period  
12 described in paragraph (1), as such period may  
13 be extended under paragraph (4).

14 “(3) RETENTION OF FUNDS.—Notwithstanding  
15 paragraph (1), the Secretary—

16 “(A) shall allow a grantee under this sec-  
17 tion to retain amounts needed to close out  
18 grants; and

19 “(B) may allow a grantee under this sec-  
20 tion to retain up to 10 percent of the remaining  
21 funds to support maintenance of the minimal  
22 capacity to launch a new program in the event  
23 of a future disaster and to support pre-disaster  
24 long-term recovery and mitigation planning.

1           “(4) EXTENSION OF PERIOD FOR USE OF  
2 FUNDS.—The Secretary may extend the 6-year pe-  
3 riod described in paragraph (1) by not more than 4  
4 years, or not more than 6 years for mitigation activi-  
5 ties, if—

6           “(A) the grantee submits to the Sec-  
7 retary—

8           “(i) written documentation of the exi-  
9 gent circumstances impacting the ability of  
10 the grantee to expend funds that could not  
11 be anticipated; or

12           “(ii) a justification that such request  
13 is necessary due to the nature and com-  
14 plexity of the program and projects; and

15           “(B) the Secretary submits a written jus-  
16 tification for the extension to the Committee on  
17 Appropriations and the Committee on Banking,  
18 Housing, and Urban Affairs of the Senate and  
19 the Committee on Appropriations and the Com-  
20 mittee on Financial Services of the House of  
21 Representatives that specifies the period of that  
22 extension.

23           “(k) DEFINITION.—In this section, the term ‘Indian  
24 tribe’ has the meaning given the term in section 4 of the

1 Native American Housing Assistance and Self-Determina-  
2 tion Act of 1996 (25 U.S.C. 4103).”.

3 (e) REGULATIONS.—

4 (1) PROPOSED RULES.—Following consultation  
5 with the Federal Emergency Management Agency,  
6 the Small Business Administration, and other Fed-  
7 eral agencies, not later than 6 months after the date  
8 of enactment of this Act, the Secretary shall issue  
9 proposed rules to carry out this Act and the amend-  
10 ments made by this Act and shall provide a 90-day  
11 period for submission of public comments on those  
12 proposed rules.

13 (2) FINAL RULES.—Not later than 1 year after  
14 the date of enactment of this Act, the Secretary  
15 shall issue final regulations to carry out section 124  
16 of the Housing and Community Development Act of  
17 1974, as added by subsection (d).

18 (f) COORDINATION OF DISASTER RECOVERY ASSIST-  
19 ANCE, BENEFITS, AND DATA WITH OTHER FEDERAL  
20 AGENCIES.—

21 (1) COORDINATION OF DISASTER RECOVERY AS-  
22 SISTANCE.—In order to ensure a comprehensive ap-  
23 proach to Federal disaster relief, long-term recovery,  
24 restoration of housing and infrastructure, economic  
25 revitalization, and mitigation in the most impacted

1 and distressed areas resulting from a catastrophic  
2 major disaster, the Secretary shall coordinate with  
3 the Federal Emergency Management Agency, to the  
4 greatest extent practicable, in the implementation of  
5 assistance authorized under section 124 of the  
6 Housing and Community Development Act of 1974,  
7 as added by subsection (d).

8 (2) DATA SHARING AGREEMENTS.—To support  
9 the coordination of data to prevent duplication of  
10 benefits with other Federal disaster recovery pro-  
11 grams while also expediting recovery and reducing  
12 burden on disaster survivors, the Department shall  
13 establish data sharing agreements that safeguard  
14 privacy with relevant Federal agencies to ensure dis-  
15 aster benefits effectively and efficiently reach in-  
16 tended beneficiaries, while using effective means of  
17 preventing harm to people and property.

18 (3) DATA TRANSFER FROM FEMA AND SBA TO  
19 HUD.—As permitted and deemed necessary for effi-  
20 cient program execution, and consistent with a com-  
21 puter matching agreement entered into under para-  
22 graph (6)(A), the Administrator of the Federal  
23 Emergency Management Agency and the Adminis-  
24 trator of the Small Business Administration shall  
25 provide data on disaster applicants to the Depart-

1       ment, including, when necessary, personally identifi-  
2       able information, disaster recovery needs, and re-  
3       sources determined eligible for, and amounts ex-  
4       pended, to the Secretary for all major disasters de-  
5       clared by the President pursuant to section 401 of  
6       Robert T. Stafford Disaster Relief and Emergency  
7       Assistance Act (42 U.S.C. 5170) for the purpose of  
8       providing additional assistance to disaster survivors  
9       and prevent duplication of benefits.

10           (4) DATA TRANSFERS FROM HUD TO HUD  
11       GRANTEES.—The Secretary is authorized to provide  
12       to grantees under section 124 of the Housing and  
13       Community Development Act of 1974, as added by  
14       subsection (d), offices of the Department, technical  
15       assistance providers, and lenders information that in  
16       the determination of the Secretary is reasonably  
17       available and appropriate to inform the provision of  
18       assistance after a major disaster, including informa-  
19       tion provided to the Secretary by the Administrator  
20       of the Federal Emergency Management Agency, the  
21       Administrator of the Small Business Administration,  
22       or other Federal agencies.

23           (5) DATA TRANSFERS FROM HUD GRANTEES TO  
24       HUD, FEMA, AND SBA.—

1           (A) REPORTING.—Grantees under section  
2           124 of the Housing and Community Develop-  
3           ment Act of 1974, as added by subsection (d),  
4           shall report information requested by the Sec-  
5           retary on households, businesses, and other en-  
6           tities assisted and the type of assistance pro-  
7           vided.

8           (B) SHARING INFORMATION.—The Sec-  
9           retary shall share information collected under  
10          subparagraph (A) with the Federal Emergency  
11          Management Agency, the Small Business Ad-  
12          ministration, and other Federal agencies to sup-  
13          port the planning and delivery of disaster recov-  
14          ery and mitigation assistance and other related  
15          purposes.

16          (6) PRIVACY PROTECTION.—The Secretary may  
17          make and receive data transfers authorized under  
18          this subsection, including the use and retention of  
19          that data for computer matching programs, to in-  
20          form the provision of assistance, assess disaster re-  
21          covery needs, and prevent the duplication of benefits  
22          and other waste, fraud, and abuse, provided that—

23                (A) the Secretary enters an information  
24                sharing agreement or a computer matching  
25                agreement, when required by section 522a of

1 title 5, United States Code (commonly known  
2 as the “Privacy Act of 1974”), with the Admin-  
3 istrator of the Federal Emergency Management  
4 Agency, the Administrator of the Small Busi-  
5 ness Administration, or other Federal agencies  
6 covering the transfer of data;

7 (B) the Secretary publishes intent to dis-  
8 close data in the Federal Register; and

9 (C) notwithstanding subparagraphs (A)  
10 and (B), section 552a of title 5, United States  
11 Code, or any other law, the Secretary is author-  
12 ized to share data with an entity identified in  
13 paragraph (4), and the entity is authorized to  
14 use the data as described in this section, if the  
15 Secretary enters a data sharing agreement with  
16 the entity before sharing or receiving any infor-  
17 mation under transfers authorized by this sec-  
18 tion, which data sharing agreement shall—

19 (i) in the determination of the Sec-  
20 retary, include measures adequate to safe-  
21 guard the privacy and personally identifi-  
22 able information of individuals; and

23 (ii) include provisions that describe  
24 how the personally identifiable information  
25 of an individual will be adequately safe-

1            guarded and protected, which requires con-  
2            sultation with the Secretary and the head  
3            of each Federal agency the data of which  
4            is being shared subject to the agreement.

5 **SEC. 502. HOME INVESTMENT PARTNERSHIPS REAUTHOR-**  
6 **IZATION AND IMPROVEMENT ACT.**

7            (a) AUTHORIZATION.—Section 205 of the Cranston-  
8 Gonzalez National Affordable Housing Act (42 U.S.C.  
9 12724) is amended to read as follows:

10 **“SEC. 205. AUTHORIZATION OF PROGRAM.**

11            “The HOME Investment Partnerships Program  
12 under subtitle A is hereby authorized. There is authorized  
13 such sums as may be necessary to carry out subtitle A.”.

14            (b) INCREASE IN PROGRAM ADMINISTRATION RE-  
15 SOURCES.—Subtitle A of title II of the Cranston-Gonzalez  
16 National Affordable Housing Act (42 U.S.C. 12741 et  
17 seq.) is amended—

18            (1) in section 212(c) (42 U.S.C. 12742(c)), by  
19 striking “10 percent” and inserting “15 percent”;  
20 and

21            (2) in section 220(b) (42 U.S.C. 12750(b))—

22            (A) by striking “RECOGNITION.—” and all  
23 that follows through “A contribution” and in-  
24 serting the following: “RECOGNITION.—A con-  
25 tribution”; and



1 (B) by striking paragraph (2).

2 (c) MODIFICATION OF JURISDICTIONS ELIGIBLE FOR  
3 REALLOCATIONS.—Section 217(d)(3) of the Cranston-  
4 Gonzalez National Affordable Housing Act (42 U.S.C.  
5 12747(d)(3)) is amended by striking “LIMITATION.—Un-  
6 less otherwise specified” and inserting the following:  
7 “LIMITATIONS.— “

8 “(A) REMOVAL OF PARTICIPATING JURIS-  
9 DICTIONS FROM REALLOCATION.—The Sec-  
10 retary may, upon a finding that such jurisdic-  
11 tion has failed to meet or comply with the re-  
12 quirements of this title, remove a participating  
13 jurisdiction from participation in reallocations  
14 of funds made available under this title.

15 “(B) REALLOCATION TO SAME TYPE OF  
16 ENTITY.—Unless otherwise specified”.

17 (d) AMENDMENTS TO QUALIFICATION AS AFFORD-  
18 ABLE HOUSING.—Section 215 of the Cranston-Gonzalez  
19 National Affordable Housing Act (42 U.S.C. 12745) is  
20 amended—

21 (1) in subsection (a)—

22 (A) in paragraph (1)(E), by striking all  
23 that follows “purposes of this Act,” and insert-  
24 ing the following: “except upon a foreclosure by

1 a lender (or upon other transfer in lieu of fore-  
2 closure) if such action—

3 “(i) recognizes any contractual or  
4 legal rights of public agencies, nonprofit  
5 sponsors, or others to take actions that  
6 would avoid termination of low-income af-  
7 fordability in the case of foreclosure or  
8 transfer in lieu of foreclosure; and

9 “(ii) is not for the purpose of avoiding  
10 low-income affordability restrictions, as de-  
11 termined by the Secretary; and”;

12 (B) by adding at the end the following:

13 “(7) SMALL-SCALE HOUSING.—

14 “(A) DEFINITION.—In this paragraph, the  
15 term ‘small-scale housing’ means housing with  
16 not more than 4 rental units.

17 “(B) ALTERNATIVE REQUIREMENTS.—  
18 Small-scale housing shall qualify as affordable  
19 housing under this title if—

20 “(i) the housing bears rents that com-  
21 ply with paragraph (1)(A);

22 “(ii) each unit is occupied by a house-  
23 hold that qualifies as a low-income family;

24 “(iii) the housing complies with para-  
25 graph (1)(D);

1 “(iv) the housing meets the require-  
2 ments under paragraph (1)(E); and

3 “(v) the participating jurisdiction  
4 monitors ongoing compliance of the hous-  
5 ing with requirements of this title in a  
6 manner consistent with the purposes of  
7 section 226(b), as determined by the Sec-  
8 retary.”; and

9 (2) in subsection (b)(1), by inserting “(defined  
10 as the amount borrowed by the homebuyer to pur-  
11 chase the home, or estimated value after rehabilita-  
12 tion, which may be adjusted to account for the limits  
13 on future value imposed by the resale restriction)”  
14 after “purchase price”.

15 (e) ELIMINATION OF COMMITMENT DEADLINE.—

16 (1) IN GENERAL.—Section 218 of the Cran-  
17 ston-Gonzalez National Affordable Housing Act (42  
18 U.S.C. 12748) is amended—

19 (A) by striking subsection (g); and

20 (B) by redesignating subsection (h) as sub-  
21 section (g).

22 (2) CONFORMING AMENDMENT.—Section  
23 218(c) of the Cranston-Gonzalez National Affordable  
24 Housing Act (42 U.S.C. 12748(c)) is amended—

1 (A) in paragraph (1), by adding “and” at  
2 the end;

3 (B) by striking paragraph (2);

4 (C) by redesignating paragraph (3) as  
5 paragraph (2); and

6 (D) in paragraph (2), as so redesignated,  
7 by striking “section 224” and inserting “section  
8 223”.

9 (f) REFORM OF HOMEOWNERSHIP RESALE RESTRIC-  
10 TIONS.—Section 215 of the Cranston-Gonzalez National  
11 Affordable Housing Act (42 U.S.C. 12745), as amended  
12 by this section, is amended—

13 (1) in subsection (b)—

14 (A) in paragraph (2), by redesignating  
15 subparagraphs (A), (B), and (C) as clauses (i),  
16 (ii), and (iii), respectively, and adjusting the  
17 margins accordingly;

18 (B) by striking paragraph (3);

19 (C) by redesignating paragraphs (1), (2),  
20 and (4) as subparagraphs (A), (B), and (D), re-  
21 spectively, and adjusting the margins accord-  
22 ingly;

23 (D) by inserting after subparagraph (B),  
24 as so redesignated, the following:

1           “(C) is subject to restrictions that are es-  
2           tablished by the participating jurisdiction and  
3           determined by the Secretary to be appropriate,  
4           including with respect to the useful life of the  
5           property, to—

6                   “(i) require that any subsequent pur-  
7                   chase of the property be—

8                           “(I) only by a person who meets  
9                           the qualifications specified under sub-  
10                          paragraph (B); and

11                          “(II) at a price that is deter-  
12                          mined by a formula or method estab-  
13                          lished by the participating jurisdiction  
14                          that provides the owner with a reason-  
15                          able return on investment, which may  
16                          include a percentage of the cost of  
17                          any improvements; or

18                          “(ii) recapture the investment pro-  
19                          vided under this title in order to assist  
20                          other persons in accordance with the re-  
21                          quirements of this title, except where there  
22                          are no net proceeds or where the net pro-  
23                          ceeds are insufficient to repay the full  
24                          amount of the assistance; and”;

1 (E) by striking “Housing that is for home-  
2 ownership” and inserting the following:

3 “(1) QUALIFICATION.—Housing that is for  
4 homeownership”; and

5 (F) by adding at the end the following:

6 “(2) PURCHASE BY COMMUNITY LAND  
7 TRUST.—Notwithstanding subparagraph (C)(i) of  
8 paragraph (1) and under terms determined by the  
9 Secretary, the Secretary may permit a participating  
10 jurisdiction to allow a community land trust that  
11 used assistance provided under this subtitle for the  
12 development of housing that meets the criteria under  
13 paragraph (1), to acquire the housing—

14 “(A) in accordance with the terms of the  
15 preemptive purchase option, lease, covenant on  
16 the land, or other similar legal instrument of  
17 the community land trust when the terms and  
18 rights in the preemptive purchase option, lease,  
19 covenant, or legal instrument are and remain  
20 subject to the requirements of this title;

21 “(B) when the purchase is for—

22 “(i) the purpose of—

23 “(I) entering into the chain of  
24 title;

1 “(II) enabling a purchase by a  
2 person who meets the qualifications  
3 specified under paragraph (1)(B) and  
4 is on a waitlist maintained by the  
5 community land trust, subject to en-  
6 forcement by the participating juris-  
7 diction of all applicable requirements  
8 of this subtitle, as determined by the  
9 Secretary;

10 “(III) performing necessary reha-  
11 bilitation and improvements; or

12 “(IV) adding a subsidy to pre-  
13 serve affordability, which may be from  
14 Federal or non-Federal sources; or

15 “(ii) another purpose determined ap-  
16 propriate by the Secretary; and

17 “(C) if, within a reasonable period of time  
18 after the applicable purpose under subpara-  
19 graph (B) of this paragraph is fulfilled, as de-  
20 termined by the Secretary, the housing is then  
21 sold to a person who meets the qualifications  
22 specified under paragraph (1)(B).

23 “(3) SUSPENSION OR WAIVER OF REQUIRE-  
24 MENTS FOR MILITARY MEMBERS.—A participating  
25 jurisdiction, in accordance with terms established by

1 the Secretary, may suspend or waive a requirement  
2 under paragraph (1)(B) with respect to housing that  
3 otherwise meets the criteria under paragraph (1) if  
4 the owner of the housing—

5 “(A) is a member of a regular component  
6 of the armed forces or a member of the Na-  
7 tional Guard on full-time National Guard duty,  
8 active Guard and Reserve duty, or inactive-duty  
9 training (as those terms are defined in section  
10 101(d) of title 10, United States Code); and

11 “(B) has received—

12 “(i) temporary duty orders to deploy  
13 with a military unit or military orders to  
14 deploy as an individual acting in support of  
15 a military operation, to a location that is  
16 not within a reasonable distance from the  
17 housing, as determined by the Secretary,  
18 for a period of not less than 90 days; or

19 “(ii) orders for a permanent change of  
20 station.

21 “(4) SUSPENSION OR WAIVER OF REQUIRE-  
22 MENTS FOR HEIR OR BENEFICIARY OF DECEASED  
23 OWNER.—Notwithstanding subparagraph (C) of  
24 paragraph (1), housing that meets the criteria under



1       that paragraph prior to the death of an owner may  
2       continue to qualify as affordable housing if—

3               “(A) the housing is the principal residence  
4               of an heir or beneficiary of the deceased owner,  
5               as defined by the Secretary; and

6               “(B) the heir or beneficiary, in accordance  
7               with terms established by the Secretary, as-  
8               sumes the duties and obligations of the de-  
9               ceased owner with respect to funds provided  
10              under this title.”.

11       (g) HOME PROPERTY INSPECTIONS.—Section 226(b)  
12       of the Cranston-Gonzalez National Affordable Housing  
13       Act (42 U.S.C. 12756(b)) is amended—

14              (1) by striking “Each participating jurisdic-  
15              tion” and inserting the following:

16              “(1) IN GENERAL.—Each participating jurisdic-  
17              tion”; and

18              (2) by striking “Such review shall include” and  
19              all that follows and inserting the following:

20              “(2) ON-SITE INSPECTIONS.—

21              “(A) INSPECTIONS BY UNITS OF GENERAL  
22              LOCAL GOVERNMENT.—A review conducted  
23              under paragraph (1) by a participating jurisdic-  
24              tion that is a unit of general local government  
25              shall include an on-site inspection to determine

1 compliance with housing codes and other appli-  
2 cable regulations.

3 “(B) INSPECTIONS BY STATES.—A review  
4 conducted under paragraph (1) by a partici-  
5 pating jurisdiction that is a State shall include  
6 an on-site inspection to determine compliance  
7 with a national standard as determined by the  
8 Secretary.

9 “(3) INCLUSION IN PERFORMANCE REPORT AND  
10 PUBLICATION.—A participating jurisdiction shall in-  
11 clude in the performance report of the participating  
12 jurisdiction submitted to the Secretary under section  
13 108(a), and make available to the public, the results  
14 of each review conducted under paragraph (1).”.

15 (h) REVISIONS TO STRENGTHEN ENFORCEMENT  
16 AND PENALTIES FOR NONCOMPLIANCE.—Section 223 of  
17 the Cranston-Gonzalez National Affordable Housing Act  
18 (42 U.S.C. 12753) is amended—

19 (1) in the heading, by striking “**PENALTIES**  
20 **FOR MISUSE OF FUNDS**” and inserting “**PRO-**  
21 **GRAM ENFORCEMENT AND PENALTIES FOR**  
22 **NONCOMPLIANCE**”;

23 (2) in the matter preceding paragraph (1), by  
24 inserting after “any provision of this subtitle” the  
25 following: “, including any provision applicable

1 throughout the period required by section  
2 215(a)(1)(E) and applicable regulations,”;

3 (3) in paragraph (2), by striking “or” at the  
4 end;

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

7 (5) by adding at the end the following:

8 “(4) reduce payments to the participating juris-  
9 diction under this subtitle by an amount equal to the  
10 amount of such payments which were not expended  
11 in accordance with this title.”.

12 (i) TENANT AND PARTICIPANT PROTECTIONS FOR  
13 SMALL-SCALE AFFORDABLE HOUSING.—Section 225 of  
14 the Cranston-Gonzalez National Affordable Housing Act  
15 (42 U.S.C. 12755) is amended by adding at the end the  
16 following:

17 “(e) TENANT SELECTION FOR SMALL-SCALE HOUS-  
18 ING.—Paragraphs (2) through (4) of subsection (d) shall  
19 not apply to the owner of small-scale housing (as defined  
20 in section 215(a)(7)).”.

21 (j) MODIFICATION OF RULES RELATED TO COMMU-  
22 NITY HOUSING DEVELOPMENT ORGANIZATIONS.—

23 (1) DEFINITIONS OF COMMUNITY HOUSING DE-  
24 VELOPMENT ORGANIZATION AND COMMUNITY LAND  
25 TRUST.—

1 (A) IN GENERAL.—Section 104 of the  
2 Cranston-Gonzalez National Affordable Hous-  
3 ing Act (42 U.S.C. 12704) is amended—

4 (i) in paragraph (6)(B)—

5 (I) by striking “significant”; and

6 (II) by striking “and otherwise”

7 and inserting “or as otherwise deter-  
8 mined acceptable by the Secretary”;

9 and

10 (ii) by adding at the end the fol-

11 lowing:

12 “(26) The term ‘community land trust’ means  
13 a nonprofit entity or a State or local government or  
14 instrumentality thereof that—

15 “(A) is not managed by, or an affiliate of,  
16 a for-profit organization;

17 “(B) has as a primary purpose acquiring,  
18 developing, or holding land to provide housing  
19 that is permanently affordable to low- and mod-  
20 erate-income persons, and monitors properties  
21 to ensure affordability is preserved;

22 “(C) provides housing described in sub-  
23 paragraph (B) using a ground lease, deed cov-  
24 enant, or other similar legally enforceable meas-  
25 ure, as determined by the Secretary, that—

1 “(i) keeps the housing affordable to  
 2 low- and moderate-income persons for not  
 3 less than 30 years; and

4 “(ii) enables low- and moderate-in-  
 5 come persons to rent or purchase the hous-  
 6 ing for homeownership; and

7 “(D) maintains preemptive purchase op-  
 8 tions to purchase the property so the housing  
 9 remains affordable to low- and moderate-income  
 10 persons.”.

11 (B) ELIMINATION OF EXISTING DEFINI-  
 12 TION OF COMMUNITY LAND TRUST.—Section  
 13 233 of the Cranston-Gonzalez National Afford-  
 14 able Housing Act (42 U.S.C. 12773) is amend-  
 15 ed by striking subsection (f).

16 (2) SET-ASIDE FOR COMMUNITY HOUSING DE-  
 17 VELOPMENT ORGANIZATIONS.—Section 231 of the  
 18 Cranston-Gonzalez National Affordable Housing Act  
 19 (42 U.S.C. 12771) is amended—

20 (A) in subsection (a), by striking “to be  
 21 developed, sponsored, or owned by community  
 22 housing development organizations” and insert-  
 23 ing “when a community housing development  
 24 organization materially participates in the own-

1           ership or development of such housing, as de-  
2           termined by the Secretary”;

3                   (B) by striking subsection (b) and insert-  
4           ing the following:

5           “(b) RECAPTURE AND REUSE.—If any funds re-  
6   served under subsection (a) remain uninvested for a period  
7   of 24 months, then the Secretary shall make such funds  
8   available to the participating jurisdiction for any eligible  
9   activities under this title without regard to whether a com-  
10   munity housing development organization materially par-  
11   ticipates in the use of the funds.”; and

12                   (C) by striking subsection (c).

13           (k) TECHNICAL CORRECTIONS.—The Cranston-Gon-  
14   zalez National Affordable Housing Act (42 U.S.C. 12701  
15   et seq.) is amended—

16                   (1) in section 104 (42 U.S.C. 12704)—

17                           (A) by redesignating paragraph (23) (re-  
18           lating to the definition of the term “to dem-  
19           onstrate to the Secretary”) as paragraph (22);  
20           and

21                           (B) by redesignating paragraph (24) (re-  
22           lating to the definition of the term “insular  
23           area”, as added by section 2(2) of Public Law  
24           102–230) as paragraph (23);

25                   (2) in section 105(b) (42 U.S.C. 12705(b))—

1 (A) in paragraph (7), by striking “Stewart  
2 B. McKinney Homeless Assistance Act” and in-  
3 serting “McKinney-Vento Homeless Assistance  
4 Act”; and

5 (B) in paragraph (8), by striking “sub-  
6 paragraphs” and inserting “paragraphs”;

7 (3) in section 106 (42 U.S.C. 12706), by strik-  
8 ing “Stewart B. McKinney Homeless Assistance  
9 Act” and inserting “McKinney-Vento Homeless As-  
10 sistance Act”;

11 (4) in section 108(a)(1) (42 U.S.C.  
12 12708(a)(1)), by striking “section 105(b)(15)” and  
13 inserting “section 105(b)(18)”;

14 (5) in section 212 (42 U.S.C. 12742)—

15 (A) in subsection (a)—

16 (i) in paragraph (3)(A)(ii), by insert-  
17 ing “United States” before “Housing Act”;  
18 and

19 (ii) by redesignating paragraph (5) as  
20 paragraph (4);

21 (B) in subsection (d)(5), by inserting  
22 “United States” before “Housing Act”; and

23 (C) in subsection (e)(1)—

24 (i) by striking “section 221(d)(3)(ii)”  
25 and inserting “section 221(d)(4)”; and

1 (ii) by striking “not to exceed 140  
2 percent” and inserting “as determined by  
3 the Secretary”;

4 (6) in section 215(a)(6)(B) (42 U.S.C. 20  
5 12745(a)(6)(B)), by striking “grand children” and  
6 inserting “grandchildren”;

7 (7) in section 217 (42 U.S.C. 12747)—

8 (A) in subsection (a)—

9 (i) in paragraph (1), by striking “(3)”  
10 and inserting “(2)”;

11 (ii) by striking paragraph (3), as  
12 added by section 211(a)(2)(D) of the  
13 Housing and Community Development Act  
14 of 1992 (Public Law 102–550; 106 Stat.  
15 3756); and

16 (iii) by redesignating the remaining  
17 paragraph (3), as added by the matter  
18 under the heading “HOME INVESTMENT  
19 PARTNERSHIPS PROGRAM” under the head-  
20 ing “HOUSING PROGRAMS” in title II of  
21 the Departments of Veterans Affairs and  
22 Housing and Urban Development, and  
23 Independent Agencies Appropriations Act,  
24 1993 (Public Law 102–389; 106 Stat.  
25 1581), as paragraph (2); and



1 (B) in subsection (b)—

2 (i) in paragraph (1)—

3 (I) in the first sentence of sub-  
4 paragraph (A)—

5 (aa) by striking “in regula-  
6 tion” and inserting “, by regula-  
7 tion,”; and

8 (bb) by striking “eligible ju-  
9 risdiction” and inserting “eligible  
10 jurisdictions”; and

11 (II) in subparagraph (F)—

12 (aa) in the first sentence—

13 (AA) in clause (i), by  
14 striking “Subcommittee on  
15 Housing and Urban Affairs”  
16 and inserting “Sub-  
17 committee on Housing,  
18 Transportation, and Com-  
19 munity Development”; and

20 (BB) in clause (ii), by  
21 striking “Subcommittee on  
22 Housing and Community  
23 Development of the Com-  
24 mittee on Banking, Finance  
25 and Urban Affairs” and in-

1                   serting “Subcommittee on  
2                   Housing and Insurance of  
3                   the Committee on Financial  
4                   Services”; and

5                   (bb) in the second sentence,  
6                   by striking “the Committee on  
7                   Banking, Finance and Urban Af-  
8                   fairs of the House of Representa-  
9                   tives” and inserting “the Com-  
10                  mittee on Financial Services of  
11                  the House of Representatives”;

12                  (ii) in paragraph (2)(B), by striking  
13                  “\$500,000” each place that term appears  
14                  and inserting “\$750,000”;

15                  (iii) in paragraph (3)—

16                   (I) by striking “\$500,000” each  
17                   place that term appears and inserting  
18                   “\$750,000”; and

19                   (II) by striking “, except as pro-  
20                   vided in paragraph (4)”; and

21                   (iv) by striking paragraph (4);

22                  (8) in section 220(c) (42 U.S.C. 12750(c))—

23                   (A) in paragraph (3), by striking “Sec-  
24                   retary” and all that follows and inserting “Sec-  
25                   retary;”;

1 (B) in paragraph (4), by striking “under  
 2 this title” and all that follows and inserting  
 3 “under this title;”; and

4 (C) by redesignating paragraphs (6), (7),  
 5 and (8) as paragraphs (5), (6), and (7), respec-  
 6 tively;

7 (9) in section 225(d)(4)(B) (42 U.S.C.  
 8 12755(d)(4)(B)), by striking “for” the first place  
 9 that term appears; and

10 (10) in section 283 (42 U.S.C. 12833)—

11 (A) in subsection (a), by striking “Bank-  
 12 ing, Finance and Urban Affairs” and inserting  
 13 “Financial Services”; and

14 (B) in subsection (b), by striking “General  
 15 Accounting Office” each place that term ap-  
 16 pears and inserting “Government Account-  
 17 ability Office”.

18 **SEC. 503. RURAL HOUSING SERVICE REFORM ACT.**

19 (a) APPLICATION OF MULTIFAMILY MORTGAGE  
 20 FORECLOSURE PROCEDURES TO MULTIFAMILY MORT-  
 21 GAGES HELD BY THE SECRETARY OF AGRICULTURE AND  
 22 PRESERVATION OF THE RENTAL ASSISTANCE CONTRACT  
 23 UPON FORECLOSURE.—

24 (1) MULTIFAMILY MORTGAGE PROCEDURES.—

25 Section 363(2) of the Multifamily Mortgage Fore-

1 closure Act of 1981 (12 U.S.C. 3702(2)) is amend-  
2 ed—

3 (A) in subparagraph (D), by striking  
4 “and” at the end;

5 (B) in subparagraph (E), by striking the  
6 period at the end and inserting “; or”; and

7 (C) by adding at the end the following:

8 “(F) section 514, 515, or 538 of the Hous-  
9 ing Act of 1949 (42 U.S.C. 1484, 1485,  
10 1490p).”.

11 (2) PRESERVATION OF CONTRACT.—Section  
12 521(d) of the Housing Act of 1949 (42 U.S.C.  
13 1490a(d)) is amended by adding at the end the fol-  
14 lowing:

15 “(3) Notwithstanding any other provision of law in  
16 managing and disposing of any multifamily property that  
17 is owned or has a mortgage held by the Secretary, and  
18 during the process of foreclosure on any property with a  
19 contract for rental assistance under this section—

20 “(A) the Secretary shall maintain any rental as-  
21 sistance payments that are attached to any dwelling  
22 units in the property; and

23 “(B) the rental assistance contract may be used  
24 to provide further assistance to existing projects  
25 under 514, 515, or 516.”.

1 (b) STUDY ON RURAL HOUSING LOANS FOR HOUS-  
2 ING FOR LOW- AND MODERATE-INCOME FAMILIES.—Not  
3 later than 6 months after the date of enactment of this  
4 Act, the Secretary of Agriculture shall conduct a study  
5 and submit to Congress a publicly available report on the  
6 loan program under section 521 of the Housing Act of  
7 1949 (42 U.S.C. 1490a), including—

8 (1) the total amount provided by the Secretary  
9 in subsidies under such section 521 to borrowers  
10 with loans made pursuant to section 502 of such Act  
11 (42 U.S.C. 1472);

12 (2) how much of the subsidies described in  
13 paragraph (1) are being recaptured; and

14 (3) the amount of time and costs associated  
15 with recapturing those subsidies.

16 (c) AUTHORIZATION OF APPROPRIATIONS FOR  
17 STAFFING AND IT UPGRADES.—There is authorized to be  
18 appropriated to the Secretary of Agriculture for each of  
19 fiscal years 2026 through 2030 such sums as may be nec-  
20 essary for increased staffing needs and information tech-  
21 nology upgrades to support all Rural Housing Service pro-  
22 grams.

23 (d) FUNDING FOR TECHNICAL IMPROVEMENTS.—

24 (1) AUTHORIZATION OF APPROPRIATIONS.—

25 There is authorized to be appropriated to the Sec-

1       retary of Agriculture such sums as may be necessary  
2       for fiscal year 2026 for improvements to the tech-  
3       nology of the Rural Housing Service of the Depart-  
4       ment of Agriculture used to process and manage  
5       housing loans.

6           (2) AVAILABILITY.—Amounts appropriated pur-  
7       suant to paragraph (1) shall remain available until  
8       the date that is 5 years after the date of the appro-  
9       priation.

10          (3) TIMELINE.—The Secretary of Agriculture  
11       shall make the improvements described in paragraph  
12       (1) during the 5-year period beginning on the date  
13       on which amounts are appropriated under paragraph  
14       (1).

15       (e) PERMANENT ESTABLISHMENT OF HOUSING  
16       PRESERVATION AND REVITALIZATION PROGRAM.—Title  
17       V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.)  
18       is amended by adding at the end the following:

19       **“SEC. 545. HOUSING PRESERVATION AND REVITALIZATION**  
20               **PROGRAM.**

21           “(a) ESTABLISHMENT.—The Secretary shall carry  
22       out a program under this section for the preservation and  
23       revitalization of multifamily rental housing projects fi-  
24       nanced under section 514, 515, or 516.

25           “(b) NOTICE OF MATURING LOANS.—

1           “(1) TO OWNERS.—On an annual basis, the  
2       Secretary shall provide written notice to each owner  
3       of a property financed under section 514, 515, or  
4       516 that will mature within the 4-year period begin-  
5       ning upon the provision of the notice, setting forth  
6       the options and financial incentives that are avail-  
7       able to facilitate the extension of the loan term or  
8       the option to decouple a rental assistance contract  
9       pursuant to subsection (f).

10           “(2) TO TENANTS.—

11               “(A) IN GENERAL.—On an annual basis,  
12       for each property financed under section 514,  
13       515, or 516, not later than the date that is 2  
14       years before the date that the loan will mature,  
15       the Secretary shall provide written notice to  
16       each household residing in the property that in-  
17       forms them of—

18                   “(i) the date of the loan maturity;

19                   “(ii) the possible actions that may  
20       happen with respect to the property upon  
21       that maturity; and

22                   “(iii) how to protect their right to re-  
23       side in federally assisted housing, or how  
24       to secure housing voucher, after that ma-  
25       turity.

1                   “(B) LANGUAGE.—Notice under this para-  
2                   graph shall be provided in plain English and  
3                   shall be translated to other languages in the  
4                   case of any property located in an area in which  
5                   a significant number of residents speak such  
6                   other languages.

7                   “(c) LOAN RESTRUCTURING.—Under the program  
8                   under this section, in any circumstance in which the Sec-  
9                   retary proposes a restructuring to an owner or an owner  
10                  proposes a restructuring to the Secretary, the Secretary  
11                  may restructure such existing housing loans, as the Sec-  
12                  retary considers appropriate, for the purpose of ensuring  
13                  that those projects have sufficient resources to preserve  
14                  the projects to provide safe and affordable housing for low-  
15                  income residents and farm laborers, by—

16                  “(1) reducing or eliminating interest;

17                  “(2) deferring loan payments;

18                  “(3) subordinating, reducing, or reamortizing  
19                  loan debt;

20                  “(4) providing other financial assistance, in-  
21                  cluding advances, payments, and incentives (includ-  
22                  ing the ability of owners to obtain reasonable re-  
23                  turns on investment) required by the Secretary; and



1           “(5) permanently removing a portion of the  
2           housing units from income restrictions when sus-  
3           tained vacancies have occurred.

4           “(d) RENEWAL OF RENTAL ASSISTANCE.—

5           “(1) IN GENERAL.—When the Secretary pro-  
6           poses to restructure a loan or agrees to the proposal  
7           of an owner to restructure a loan pursuant to sub-  
8           section (c), the Secretary shall offer to renew the  
9           rental assistance contract under section 521(a)(2)  
10          for a term that is the shorter of 20 years and the  
11          term of the restructured loan, subject to annual ap-  
12          propriations, provided that the owner agrees to bring  
13          the property up to such standards that will ensure  
14          maintenance of the property as decent, safe, and  
15          sanitary housing for the full term of the rental as-  
16          sistance contract.

17          “(2) ADDITIONAL RENTAL ASSISTANCE.—With  
18          respect to a project described in paragraph (1), if  
19          rental assistance is not available for all households  
20          in the project for which the loan is being restruc-  
21          tured pursuant to subsection (c), the Secretary may  
22          extend such additional rental assistance to unas-  
23          sisted households at that project as is necessary to  
24          make the project safe and affordable to low-income  
25          households.

1 “(e) RESTRICTIVE USE AGREEMENTS.—

2 “(1) REQUIREMENT.—As part of the preserva-  
3 tion and revitalization agreement for a project, the  
4 Secretary shall obtain a restrictive use agreement  
5 that is recorded and obligates the owner to operate  
6 the project in accordance with this title.

7 “(2) TERM.—

8 “(A) NO EXTENSION OF RENTAL ASSIST-  
9 ANCE CONTRACT.—Except when the Secretary  
10 enters into a 20-year extension of the rental as-  
11 sistance contract for a project, the term of the  
12 restrictive use agreement for the project shall  
13 be consistent with the term of the restructured  
14 loan for the project.

15 “(B) EXTENSION OF RENTAL ASSISTANCE  
16 CONTRACT.—If the Secretary enters into a 20-  
17 year extension of the rental assistance contract  
18 for a project, the term of the restrictive use  
19 agreement for the project shall be for the longer  
20 of—

21 “(i) 20 years; or

22 “(ii) the remaining term of the loan  
23 for that project.

24 “(C) TERMINATION.—The Secretary may  
25 terminate the 20-year use restrictive use agree-

1           ment for a project before the end of the term  
2           of the agreement if the 20-year rental assist-  
3           ance contract for the project with the owner is  
4           terminated at any time for reasons outside the  
5           control of the owner.

6           “(f) DECOUPLING OF RENTAL ASSISTANCE.—

7           “(1) RENEWAL OF RENTAL ASSISTANCE CON-  
8           TRACT.—If the Secretary determines that a loan ma-  
9           turing during the 4-year period beginning upon the  
10          provision of the notice required under subsection  
11          (b)(1) for a project cannot reasonably be restruc-  
12          tured in accordance with subsection (c) because it is  
13          not financially feasible or the owner does not agree  
14          with the proposed restructuring, and the project was  
15          operating with rental assistance under section 521  
16          and the recipient is a borrower under section 514 or  
17          515, the Secretary may renew the rental assistance  
18          contract, notwithstanding any requirement under  
19          section 521 that the recipient be a current borrower  
20          under section 514 or 515, for a term of 20 years,  
21          subject to annual appropriations.

22          “(2) ADDITIONAL RENTAL ASSISTANCE.—With  
23          respect to a project described in paragraph (1), if  
24          rental assistance is not available for all households  
25          in the project for which the loan is being restruc-

1       tured pursuant to subsection (c), the Secretary may  
2       extend such additional rental assistance to unas-  
3       sisted households at that project as is necessary to  
4       make the project safe and affordable to low-income  
5       households.

6           “(3) RENTS.—

7               “(A) IN GENERAL.—Any agreement to ex-  
8       tend the term of the rental assistance contract  
9       under section 521 for a project shall obligate  
10      the owner to continue to maintain the project  
11      as decent, safe, and sanitary housing and to op-  
12      erate the development as affordable housing in  
13      a manner that meets the goals of this title.

14          “(B) RENT AMOUNTS.—Subject to sub-  
15      paragraph (C), in setting rents, the Secretary—

16              “(i) shall determine the maximum ini-  
17      tial rent based on current fair market  
18      rents established under section 8 of the  
19      United States Housing Act of 1937 (42  
20      U.S.C. 1437f); and

21              “(ii) may annually adjust the rent de-  
22      termined under clause (i) by the operating  
23      cost adjustment factor as provided under  
24      section 524 of the Multifamily Assisted

1           Housing Reform and Affordability Act of  
2           1997 (42 U.S.C. 1437f note).

3           “(C) HIGHER RENT.—

4                 “(i) IN GENERAL.—Subparagraph (B)  
5                 shall not apply if the Secretary determines  
6                 that the budget-based needs of a project  
7                 require a higher rent than the rent de-  
8                 scribed in subparagraph (B).

9                 “(ii) RENT.—If the Secretary makes a  
10                positive determination under clause (i), the  
11                Secretary may approve a budget-based rent  
12                level for the project.

13           “(4) CONDITIONS FOR APPROVAL.—Before the  
14           approval of a rental assistance contract authorized  
15           under this section, the Secretary shall require,  
16           through an annual notice in the Federal Register,  
17           the owner to submit to the Secretary a plan that  
18           identifies financing sources and a timetable for ren-  
19           ovations and improvements determined to be nec-  
20           essary by the Secretary to maintain and preserve the  
21           project.

22           “(g) MULTIFAMILY HOUSING TRANSFER TECHNICAL  
23           ASSISTANCE.—Under the program under this section, the  
24           Secretary may provide grants to qualified nonprofit orga-  
25           nizations and public housing agencies to provide technical

1 assistance, including financial and legal services, to bor-  
2 rowers under loans under this title for multifamily housing  
3 to facilitate the acquisition or preservation of such multi-  
4 family housing properties in areas where the Secretary de-  
5 termines there is a risk of loss of affordable housing.

6 “(h) ADMINISTRATIVE EXPENSES.—Of any amounts  
7 made available for the program under this section for any  
8 fiscal year, the Secretary may use not more than  
9 \$1,000,000 for administrative expenses for carrying out  
10 such program.

11 “(i) AUTHORIZATION OF APPROPRIATIONS.—There is  
12 authorized to be appropriated for the program under this  
13 section such sums as may be necessary for each of fiscal  
14 years 2026 through 2030.

15 “(j) RULEMAKING.—

16 “(1) IN GENERAL.—Not later than 180 days  
17 after the date of enactment of the Renewing Oppor-  
18 tunity in the American Dream to Housing Act of  
19 2025, the Secretary shall—

20 “(A) publish an advance notice of proposed  
21 rulemaking; and

22 “(B) consult with appropriate stake-  
23 holders.

24 “(2) INTERIM FINAL RULE.—Not later than 1  
25 year after the date of enactment of the Renewing

1 Opportunity in the American Dream to Housing Act  
2 of 2025, the Secretary shall publish an interim final  
3 rule to carry out this section.”.

4 (f) RENTAL ASSISTANCE CONTRACT AUTHORITY.—  
5 Section 521(d) of the Housing Act of 1949 (42 U.S.C.  
6 1490a(d)), as amended by this section, is amended—

7 (1) in paragraph (1)—

8 (A) by redesignating subparagraphs (B)  
9 and (C) as subparagraphs (C) and (D), respec-  
10 tively;

11 (B) by inserting after subparagraph (A)  
12 the following:

13 “(B) upon request of an owner of a project fi-  
14 nanced under section 514 or 515, the Secretary is  
15 authorized to enter into renewal of such agreements  
16 for a period of 20 years or the term of the loan,  
17 whichever is shorter, subject to amounts made avail-  
18 able in appropriations Acts;”;

19 (C) in subparagraph (C), as so redesign-  
20 ated, by striking “subparagraph (A)” and in-  
21 serting “subparagraphs (A) and (B)”; and

22 (D) in subparagraph (D), as so redesign-  
23 ated, by striking “subparagraphs (A) and  
24 (B)” and inserting “subparagraphs (A), (B),  
25 and (C)”;

1           (2) in paragraph (2), by striking “shall” and  
2           inserting “may”; and

3           (3) by adding at the end the following:

4           “(4) In the case of any rental assistance contract au-  
5           thority that becomes available because of the termination  
6           of assistance on behalf of an assisted family—

7           “(A) at the option of the owner of the rental  
8           project, the Secretary shall provide the owner a pe-  
9           riod of not more than 6 months before unused as-  
10          sistance is made available pursuant to subparagraph  
11          (B) during which the owner may use such assistance  
12          authority to provide assistance on behalf of an eligi-  
13          ble unassisted family that—

14                 “(i) is residing in the same rental project  
15                 in which the assisted family resided before the  
16                 termination; or

17                 “(ii) newly occupies a dwelling unit in the  
18                 rental project during that 6-month period; and

19           “(B) except for assistance used as provided in  
20           subparagraph (A), the Secretary shall use such re-  
21           maining authority to provide assistance on behalf of  
22           eligible families residing in other rental projects  
23           originally financed under section 514, 515, or 516.”.

24           (g) MODIFICATIONS TO LOANS AND GRANTS FOR  
25           MINOR IMPROVEMENTS TO FARM HOUSING AND BUILD-



INGS; 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.**

1           “(2) ELIGIBLE INTERMEDIARY.—The term ‘eli-  
2           gible intermediary’ means a qualified—

3                       “(A) private, nonprofit organization; or

4                       “(B) public organization.

5           “(b) ESTABLISHMENT.—The Secretary shall estab-  
6           lish a Rural Community Development Initiative, under  
7           which the Secretary shall provide grants to eligible inter-  
8           mediaries to carry out programs to provide financial and  
9           technical assistance to eligible entities to develop the ca-  
10          pacity and ability of eligible entities to carry out projects  
11          to improve housing, community facilities, and community  
12          and economic development projects in rural areas.

13          “(c) AMOUNT OF GRANTS.—The amount of a grant  
14          provided to an eligible intermediary under this section  
15          shall be not more than \$250,000.

16          “(d) MATCHING FUNDS.—

17               “(1) IN GENERAL.—An eligible intermediary re-  
18               ceiving a grant under this section shall provide  
19               matching funds from other sources, including Fed-  
20               eral funds for related activities, in an amount not  
21               less than the amount of the grant.

22               “(2) WAIVER.—The Secretary may waive para-  
23               graph (1) with respect to a project that would be  
24               carried out in a persistently poor rural region, as de-  
25               termined by the Secretary.”.

1 (i) ANNUAL REPORT ON RURAL HOUSING PRO-  
2 GRAMS.—Title V of the Housing Act of 1949 (42 U.S.C.  
3 1471 et seq.), as amended by this section, is amended by  
4 adding at the end the following:

5 **“SEC. 546. ANNUAL REPORT.**

6 “(a) IN GENERAL.—The Secretary shall submit to  
7 the appropriate committees of Congress and publish on  
8 the website of the Department of Agriculture an annual  
9 report on rural housing programs carried out under this  
10 title, which shall include significant details on the health  
11 of Rural Housing Service programs, including—

12 “(1) raw data sortable by programs and by re-  
13 gion regarding loan performance;

14 “(2) the housing stock of those programs, in-  
15 cluding information on why properties end participa-  
16 tion in those programs, such as for maturation, pre-  
17 payment, foreclosure, or other servicing issues; and

18 “(3) risk ratings for properties assisted under  
19 those programs.

20 “(b) PROTECTION OF INFORMATION.—The data in-  
21 cluded in each report required under subsection (a) may  
22 be aggregated or anonymized to protect participant finan-  
23 cial or personal information.”.

24 (j) GAO REPORT ON RURAL HOUSING SERVICE  
25 TECHNOLOGY.—Not later than 1 year after the date of

1 enactment of this Act, the Comptroller General of the  
2 United States shall submit to Congress a report that in-  
3 cludes—

4           (1) an analysis of how the outdated technology  
5       used by the Rural Housing Service impacts partici-  
6       pants in the programs of the Rural Housing Service;

7           (2) an estimate of the amount of funding that  
8       is needed to modernize the technology used by the  
9       Rural Housing Service; and

10          (3) an estimate of the number and type of new  
11       employees the Rural Housing Service needs to mod-  
12       ernize the technology used by the Rural Housing  
13       Service.

14       (k) ADJUSTMENT TO RURAL DEVELOPMENT VOUCH-  
15       ER AMOUNT.—

16           (1) IN GENERAL.—Not later than 2 years after  
17       the date of enactment of this Act, the Secretary of  
18       Agriculture shall issue regulations to establish a  
19       process for adjusting the voucher amount provided  
20       under section 542 of the Housing Act of 1949 (42  
21       U.S.C. 1490r) after the issuance of the voucher fol-  
22       lowing an interim or annual review of the amount of  
23       the voucher.

24           (2) INTERIM REVIEW.—The interim review de-  
25       scribed in paragraph (1) shall, at the request of a

1       tenant, allow for a recalculation of the voucher  
2       amount when the tenant experiences a reduction in  
3       income, change in family composition, or change in  
4       rental rate.

5           (3) ANNUAL REVIEW.—

6           (A) IN GENERAL.—The annual review de-  
7       scribed in paragraph (1) shall require tenants  
8       to annually recertify the family composition of  
9       the household and that the family income of the  
10      household does not exceed 80 percent of the  
11      area median income at a time determined by  
12      the Secretary of Agriculture.

13          (B) CONSIDERATIONS.—If a tenant does  
14      not recertify the family composition and family  
15      income of the household within the time frame  
16      required under subparagraph (A), the Secretary  
17      of Agriculture—

18           (i) shall consider whether extenuating  
19      circumstances caused the delay in recertifi-  
20      cation; and

21           (ii) may alter associated consequences  
22      for the failure to recertify based on those  
23      circumstances.

24          (C) EFFECTIVE DATE.—Following the an-  
25      nual review of a voucher under paragraph (1),

1           the updated voucher amount shall be effective  
2           on the 1st day of the month following the expi-  
3           ration of the voucher.

4           (4) DEADLINE.—The process established under  
5           paragraph (1) shall require the Secretary of Agri-  
6           culture to review and update the voucher amount de-  
7           scribed in paragraph (1) for a tenant not later than  
8           60 days before the end of the voucher term.

9           (1) ELIGIBILITY FOR RURAL HOUSING VOUCHERS.—  
10          Section 542 of the Housing Act of 1949 (42 U.S.C.  
11          1490r) is amended by adding at the end the following:  
12          “(c) ELIGIBILITY OF HOUSEHOLDS IN SECTIONS  
13          514, 515, AND 516 PROJECTS.—The Secretary may pro-  
14          vide rural housing vouchers under this section for any low-  
15          income household (including those not receiving rental as-  
16          sistance) residing for a term longer than the remaining  
17          term of their lease that is in effect on the date of prepay-  
18          ment, foreclosure, or mortgage maturity, in a property fi-  
19          nanced with a loan under section 514 or 515 or a grant  
20          under section 516 that has—

21                 “(1) been prepaid with or without restrictions  
22                 imposed by the Secretary pursuant to section  
23                 502(c)(5)(G)(ii)(I);

24                 “(2) been foreclosed; or

25                 “(3) matured after September 30, 2005.”.

1       (m) AMOUNT OF VOUCHER ASSISTANCE.—Notwith-  
2 standing any other provision of law, in the case of any  
3 rural housing voucher provided pursuant to section 542  
4 of the Housing Act of 1949 (42 U.S.C. 1490r), the  
5 amount of the monthly assistance payment for the house-  
6 hold on whose behalf the assistance is provided shall be  
7 determined as provided in subsection (a) of such section  
8 542, including providing for interim and annual review of  
9 the voucher amount in the event of a change in household  
10 composition or income or rental rate.

11       (n) TRANSFER OF MULTIFAMILY RURAL HOUSING  
12 PROJECTS.—Section 515 of the Housing Act of 1949 (42  
13 U.S.C. 1485) is amended—

14               (1) in subsection (h), by adding at the end the  
15 following:

16               “(3) TRANSFER TO NONPROFIT ORGANIZA-  
17 TIONS.—A nonprofit or public body purchaser, in-  
18 cluding a limited partnership with a general partner  
19 with the principal purpose of providing affordable  
20 housing, may purchase a property for which a loan  
21 is made or insured under this section that has re-  
22 ceived a market value appraisal, without addressing  
23 rehabilitation needs at the time of purchase, if the  
24 purchaser—

1           “(A) makes a commitment to address re-  
 2           habilitation needs during ownership and long-  
 3           term use restrictions on the property; and

4           “(B) at the time of purchase, accepts long-  
 5           term use restrictions on the property.”; and

6           (2) in subsection (w)(1), in the first sentence in  
 7           the matter preceding subparagraph (A), by striking  
 8           “9 percent” and inserting “25 percent”.

9           (o) EXTENSION OF LOAN TERM.—

10           (1) IN GENERAL.—Section 502(a)(2) of the  
 11           Housing Act of 1949 (42 U.S.C. 1472(a)(2)) is  
 12           amended—

13           (A) by inserting “(A)” before “The Sec-  
 14           retary”;

15           (B) in subparagraph (A), as so designated,  
 16           by striking “paragraph” and inserting “sub-  
 17           paragraph”; and

18           (C) by adding at the end the following:

19           “(B) The Secretary may refinance or modify  
 20           the period of any loan, including any refinanced  
 21           loan, made under this section in accordance with  
 22           terms and conditions as the Secretary shall pre-  
 23           scribe, but in no event shall the total term of the  
 24           loan from the date of the refinance or modification  
 25           exceed 40 years.”.



1           (2) APPLICATION.—The amendment made  
2       under paragraph (1) shall apply with respect to  
3       loans made under section 502 of the Housing Act of  
4       1949 (42 U.S.C. 1472) before, on, or after the date  
5       of enactment of this Act.

6       (p) RELEASE OF LIABILITY FOR SECTION 502 GUAR-  
7       ANTEED BORROWER UPON ASSUMPTION OF ORIGINAL  
8       LOAN BY NEW BORROWER.—Section 502(h)(10) of the  
9       Housing Act of 1949 (42 U.S.C. 1472(h)(10)) is amended  
10      to read as follows:

11           “(10) TRANSFER AND ASSUMPTION.—Upon the  
12      transfer of property for which a guaranteed loan  
13      under this subsection was made and the assumption  
14      of the guaranteed loan by an approved eligible bor-  
15      rower, the original borrower of a guaranteed loan  
16      under this subsection shall be relieved of liability  
17      with respect to the loan.”.

18       (q) DEPARTMENT OF AGRICULTURE LOAN RESTRIC-  
19      TIONS.—

20           (1) DEFINITIONS.—In this subsection, the  
21      terms “State” and “Tribal organization” have the  
22      meanings given those terms in section 658P of the  
23      Child Care and Development Block Grant Act of  
24      1990 (42 U.S.C. 9858n).

1           (2) REVISION.—The Secretary of Agriculture  
2       shall revise section 3555.102(c) of title 7, Code of  
3       Federal Regulations, to exclude from the restriction  
4       under that section—

5           (A) a home-based business that is a li-  
6       censed, registered, or regulated child care pro-  
7       vider under State law or by a Tribal organiza-  
8       tion; and

9           (B) an applicant that has applied to be-  
10      come a licensed, registered or regulated child  
11      care provider under State law or by a Tribal or-  
12      ganization.

13       (r) LOAN GUARANTEES.—Section 502(h)(4) of the  
14   Housing Act of 1949 (42 U.S.C. 1472(h)(4)) is amend-  
15   ed—

16           (1) by redesignating subparagraphs (A), (B),  
17      and (C) as clauses (i), (ii), and (iii), respectively;

18           (2) by striking “Loans may be guaranteed” and  
19      inserting the following:

20           “(A) DEFINITION.—In this paragraph, the  
21      term ‘accessory dwelling unit’ means a single,  
22      habitable living unit—

23           “(i) with means of separate ingress  
24      and egress;

1                   “(ii) that is usually subordinate in  
2                   size;

3                   “(iii) that can be added to, created  
4                   within, or detached from a primary 1-unit,  
5                   single-family dwelling; and

6                   “(iv) in combination with a primary  
7                   1-unit, single family dwelling, constitutes a  
8                   single interest in real estate.

9                   “(B) SINGLE FAMILY REQUIREMENT.—  
10                  Loans may be guaranteed”; and  
11                  (3) by adding at the end the following:

12                  “(C) RULE OF CONSTRUCTION.—Nothing  
13                  in this paragraph shall be construed to prohibit  
14                  the leasing of an accessory dwelling unit or the  
15                  use of rental income derived from such a lease  
16                  to qualify for a loan guaranteed under this sub-  
17                  section—

18                         “(i) after the date of enactment of the  
19                         Renewing Opportunity in the American  
20                         Dream to Housing Act of 2025; and

21                         “(ii) if the property that is the subject  
22                         of the loan was constructed before the date  
23                         of enactment of the Renewing Opportunity  
24                         in the American Dream to Housing Act of  
25                         2025.”.

1 (s) APPLICATION REVIEW.—

2 (1) SENSE OF CONGRESS.—It is the sense of  
3 Congress, not later than 90 days after the date on  
4 which the Secretary of Agriculture receives an appli-  
5 cation for a loan, grant, or combined loan and grant  
6 under section 502 or 504 of the Housing Act of  
7 1949 (42 U.S.C. 1472, 1474), the Secretary of Agri-  
8 culture should—

9 (A) review the application;

10 (B) complete the underwriting;

11 (C) make a determination of eligibility with  
12 respect to the application; and

13 (D) notify the applicant of determination.

14 (2) REPORT.—

15 (A) IN GENERAL.—Not later than 90 days  
16 after the date of enactment of this Act, and an-  
17 nually thereafter until the date described in  
18 subparagraph (B), the Secretary of Agriculture  
19 shall submit to the Committee on Banking,  
20 Housing, and Urban Affairs of the Senate and  
21 the Committee on Financial Services of the  
22 House of Representatives a report—

23 (i) detailing the timeliness of eligi-  
24 bility determinations and final determina-  
25 tions with respect to applications under

1 sections 502 and 504 of the Housing Act  
2 of 1949 (42 U.S.C. 1472, 1474), including  
3 justifications for any eligibility determina-  
4 tions taking longer than 90 days; and

5 (ii) that includes recommendations to  
6 shorten the timeline for notifications of eli-  
7 gibility determinations described in clause  
8 (i) to not more than 90 days.

9 (B) DATE DESCRIBED.—The date de-  
10 scribed in this subparagraph is the date on  
11 which, during the preceding 5-year period, the  
12 Secretary of Agriculture provides each eligibility  
13 determination described in subparagraph (A)  
14 during the 90-day period beginning on the date  
15 on which each application is received.

16 **SEC. 504. NEW MOVING TO WORK COHORT.**

17 (a) DEFINITIONS.—In this section:

18 (1) MOVING TO WORK DEMONSTRATION.—The  
19 term “Moving to Work demonstration” means the  
20 Moving to Work demonstration authorized under  
21 section 204 of the Departments of Veterans Affairs  
22 and Housing and Urban Development, and Inde-  
23 pendent Agencies Appropriations Act, 1996 (42  
24 U.S.C. 1437f note).

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

3       (b) AUTHORIZATION OF ADDITIONAL PUBLIC HOUS-  
4       ING AGENCIES.—

5           (1) IN GENERAL.—After the completion of the  
6       initial report required under subsection (h)(2), the  
7       Secretary may add up to an additional 25 public  
8       housing agencies that are designated as high per-  
9       forming agencies under the Public Housing Assess-  
10      ment System or the Section 8 Management Assess-  
11      ment Program to participate in a new cohort as part  
12      of the Moving to Work demonstration.

13          (2) NAME.—The new cohort authorized under  
14      paragraph (1) shall be entitled the “Economic Op-  
15      portunity and Pathways to Independence Cohort”.

16      (c) WAIVER AUTHORITY.—

17          (1) IN GENERAL.—Subject to paragraph (2),  
18      the authority of the Secretary to grant waivers to  
19      agencies admitted to the Moving to Work dem-  
20      onstration under this section or to designate policy  
21      changes as part of a cohort design under this section  
22      shall be limited to the waivers codified as of January  
23      2025 in Appendix I of the document of the Depart-  
24      ment of Housing and Urban Development entitled  
25      “Operations Notice for the Expansion of the Moving

1 to Work Demonstration Program” (FR–5994–N–  
2 05) published in the Federal Register on August 28,  
3 2020, as amended by the notice entitled “Operations  
4 Notice for Expansion of the Moving to Work Dem-  
5 onstration Program Technical Revisions” (FR–  
6 5994–N–06) published in the Federal Register on  
7 March 20, 2025.

8 (2) EXCEPTIONS.—Under paragraph (1), the  
9 Secretary may not grant waivers 1c, 1d, 1e, 1f, 1k,  
10 1l, 1o, 1p, 1q, 6, 7, 9a, 9h, or 12 in the document  
11 described in paragraph (1), including modifications  
12 of or safe harbor requirement waivers for such waiv-  
13 ers.

14 (3) POLICY OPTIONS.—In carrying out the  
15 Moving to Work demonstration cohort established  
16 under this section, the Secretary may consider policy  
17 options to provide opt-out savings or escrow ac-  
18 counts and report positive rental payments to con-  
19 sumer reporting agencies (as defined in section 603  
20 of the Fair Credit Reporting Act (15 U.S.C. 1681a))  
21 with resident consent.

22 (d) FUNDING AND USE OF FUNDS.—

23 (1) IN GENERAL.—Public housing agencies in  
24 the cohort authorized under this section may expend  
25 not more than 5 percent of the amounts those public

1       housing agencies receive in any fiscal year for hous-  
2       ing assistance payments under section 8(o) of the  
3       United States Housing Act of 1937 (42 U.S.C.  
4       1437f(o)) for purposes other than such housing as-  
5       sistance payments.

6               (2) OTHER USES.—Such other uses of amounts  
7       described in paragraph (1) shall comply with all  
8       other applicable requirements.

9               (3) FORMULA.—

10              (A) RENEWAL.—The amount of funding  
11       public housing agencies receive for renewal of  
12       housing assistance payments under section 8(o)  
13       of the United States Housing Act of 1937 (42  
14       U.S.C. 1437f(o)) shall be determined according  
15       to the same funding formula applicable to pub-  
16       lic housing agencies that do not participate in  
17       the Moving to Work demonstration, except that  
18       the Secretary shall provide public housing agen-  
19       cies funding to renew any funds expended  
20       under this subsection, with an adjustment for  
21       inflation.

22              (B) ADMINISTRATIVE FEES.—The amount  
23       of funding public housing agencies receive for  
24       administrative fees under section 8(q) of the  
25       United States Housing Act of 1937 (42 U.S.C.



1           1437f(q)), public housing operating subsidies  
2           under section 9(e) of the United States Hous-  
3           ing Act of 1937 (42 U.S.C. 1437g(e)), and pub-  
4           lic housing capital funding under section 9(d) of  
5           the United States Housing Act of 1937 (42  
6           U.S.C. 1437g(d)) shall be determined according  
7           to the same funding formula applicable to pub-  
8           lic housing agencies that do not participate in  
9           the Moving to Work demonstration.

10       (e) SELECTION REQUIREMENTS.—The Secretary  
11 shall select public housing agencies designated under this  
12 section through a competitive process, as determined by  
13 the Secretary, with the following parameters:

14           (1) No public housing agency shall be granted  
15           this designation under this section that administers  
16           more than 27,000 aggregate housing vouchers and  
17           public housing units.

18           (2) Of the public housing agencies selected  
19           under this section, not more than 10 shall admin-  
20           ister 1,000 or fewer aggregate housing vouchers and  
21           public housing units, not more than 6 shall admin-  
22           ister between 1,001 and 6,000 aggregate housing  
23           vouchers and public housing units, and not more  
24           than 4 shall administer between 6,001 and 27,000

1 aggregate housing vouchers and public housing  
2 units.

3 (3) Selection of public housing agencies under  
4 this section shall be based on ensuring the geo-  
5 graphic diversity of Moving to Work demonstration  
6 public housing agencies.

7 (4) Within the requirements under paragraphs  
8 (1) through (3), the Secretary shall prioritize select-  
9 ing public housing agencies that serve families with  
10 children and youth aging out of foster care at a rate  
11 above the national average.

12 (f) REQUIREMENTS FOR SELECTED PUBLIC HOUS-  
13 ING AGENCIES.—Consistent with section 204(c)(3) of the  
14 Departments of Veterans Affairs and Housing and Urban  
15 Development, and Independent Agencies Appropriations  
16 Act, 1996 (42 U.S.C. 1437f note), public housing agencies  
17 selected for the Moving to Work demonstration under this  
18 section shall—

19 (1) ensure that not less than 75 percent of the  
20 families assisted are very low-income families, as de-  
21 fined in section 3(b)(2)(B) of the United States  
22 Housing Act of 1937 (42 U.S.C. 1437a(b)(2)(B));

23 (2) establish a reasonable rent policy, which  
24 shall be designed to encourage employment and self-  
25 sufficiency by participating families, consistent with

1 the purpose of the Moving to Work demonstration,  
2 such as by excluding some or all of a family's earned  
3 income for purposes of determining rent;

4 (3) continue to assist substantially the same  
5 total number of eligible low-income families as would  
6 have been served had the amounts not been com-  
7 bined;

8 (4) maintain a comparable mix of families (by  
9 family size) as would have been provided had the  
10 amounts not been used under the Moving to Work  
11 demonstration; and

12 (5) assure that housing assisted under the Mov-  
13 ing to Work demonstration meets housing quality  
14 standards established or approved by the Secretary.

15 (g) NONCOMPLIANCE.—

16 (1) IN GENERAL.—If the Secretary finds that a  
17 public housing agency participating in the cohort au-  
18 thorized under this section is not in compliance with  
19 the requirements under this section, the Secretary  
20 shall make a determination of noncompliance.

21 (2) COMPLIANCE.—Upon making a determina-  
22 tion under paragraph (1), the Secretary shall de-  
23 velop a process to bring the public housing agency  
24 into compliance.

1           (3) REMOVAL.—If a public housing agency can-  
2       not be brought into compliance under the process  
3       developed under paragraph (2), the Secretary shall  
4       remove the participating public housing agency from  
5       the cohort and replace it with a similarly qualified  
6       public housing agency currently not in the cohort  
7       chosen in the manner described in subsection (e).

8           (4) NOTIFICATION.—Upon removing a public  
9       housing agency under paragraph (3), the Secretary  
10      shall immediately submit to the Committee on Bank-  
11      ing, Housing, and Urban Affairs of the Senate and  
12      the Committee on Financial Services of the House of  
13      Representatives—

14                (A) a notification of the removal; and

15                (B) a report on the active steps the Sec-  
16      retary is taking to replace the public housing  
17      agency with a new public housing agency.

18      (h) COMPREHENSIVE MOVING TO WORK REPORTING  
19      AND OVERSIGHT REQUIREMENTS.—

20           (1) COHORT RESEARCH.—

21                (A) IN GENERAL.—The Secretary shall  
22      continue ongoing research investigations com-  
23      menced as part of the assessment of the cohorts  
24      established under section 239 of the Depart-  
25      ment of Housing and Urban Development Ap-

1            appropriations Act, 2016 (42 U.S.C. 1437f note;  
2            Public Law 114–113), make public all products  
3            completed as part of those investigations, and  
4            keep such products online for at least 5 years.

5            (B) COORDINATION.—The Secretary shall  
6            coordinate with the advisory committee estab-  
7            lished under section 239 of the Department of  
8            Housing and Urban Development Appropria-  
9            tions Act, 2016 (42 U.S.C. 1437f note; Public  
10          Law 114–113) to establish a research program  
11          to evaluate the outcomes and efficacy of the fol-  
12          lowing for all Moving to Work demonstration  
13          agencies designated under the authority under  
14          such section and this section:

15                (i) The waivers granted to each cohort  
16                and whether those waivers accomplish the  
17                goals of achieving greater cost effectiveness  
18                and administrative capacity, incentivizing  
19                families to become economically self-suffi-  
20                cient, and increasing housing choice.

21                (ii) The additional flexibilities granted  
22                to individual public housing agencies under  
23                each cohort.

1 (iii) How the flexibilities described in  
2 clause (ii) were used for local, non-tradi-  
3 tional activities.

4 (2) COMPREHENSIVE REPORTING REQUIRE-  
5 MENT.—Not later than 180 days after the date of  
6 enactment of this Act, and annually thereafter, the  
7 Secretary shall submit to the Committee on Bank-  
8 ing, Housing, and Urban Affairs of the Senate and  
9 the Committee on Financial Services of the House of  
10 Representatives a report that contains the following  
11 for each Moving to Work demonstration cohort  
12 under section 204 of the Departments of Veterans  
13 Affairs and Housing and Urban Development, and  
14 Independent Agencies Appropriations Act, 1996 (42  
15 U.S.C. 1437f note), section 239 of the Department  
16 of Housing and Urban Development Appropriations  
17 Act, 2016 (42 U.S.C. 1437f note; Public Law 114–  
18 113), and this section:

19 (A) The annual administrative plans of  
20 each Moving to Work demonstration public  
21 housing agency.

22 (B) Assessments of longitudinal data, in-  
23 cluding data on units, households, and out-  
24 comes, which shall be evaluated to compare

1 changes in the following trends before and after  
2 Moving to Work demonstration designation:

3 (i) Impacts on tenants based on the  
4 following, disaggregated by the public  
5 housing program and the housing choice  
6 voucher program:

7 (I) Eviction rates.

8 (II) Hardship policy usage.

9 (III) Share of rent covered by a  
10 household.

11 (IV) Turnover, including the  
12 number of household moves with or  
13 without continued assistance.

14 (V) Reasons for exit from the  
15 program.

16 (VI) The number and character-  
17 istics of households served, including  
18 households with a non-elderly family  
19 member with a disability, 3 or more  
20 minors, homelessness status at the  
21 time of admission, and average and  
22 median income as a percent of area  
23 median income.

24 (ii) Impacts on public housing agency  
25 operations based on the following:

1 (I) The number of units, broken  
2 down by type.

3 (II) The size, including the num-  
4 ber of bedrooms per unit, accessibility,  
5 affordability, and quality of units.

6 (III) The length of each waitlist  
7 maintained and average wait times.

8 (IV) Changes in capital backlog  
9 needs and surplus fund and reserve  
10 levels.

11 (V) The number of public hous-  
12 ing units undergoing a conversion  
13 under the rental assistance dem-  
14 onstration program authorized under  
15 the Department of Housing and  
16 Urban Development Appropriations  
17 Act, 2012 (Public Law 112–55; 125  
18 Stat. 673) or demolition or disposition  
19 projects under section 18 of the  
20 United States Housing Act of 1937  
21 (42 U.S.C. 1437p), including the  
22 number of units lost and the location  
23 of any replacement housing resulting  
24 from demolition or disposition.



1 (VI) The share of project-based  
2 vouchers compared to tenant-based  
3 vouchers.

4 (VII) The following annual hous-  
5 ing choice voucher data:

6 (aa) Voucher unit utilization  
7 rates.

8 (bb) Voucher budget utiliza-  
9 tion rates.

10 (cc) Annualized voucher suc-  
11 cess rate.

12 (dd) Demographic composi-  
13 tion of households issued vouch-  
14 ers compared to utilized vouch-  
15 ers.

16 (ee) Average time to lease-  
17 up.

18 (ff) Average cost per vouch-  
19 er.

20 (gg) Average cost per land-  
21 lord incentive.

22 (hh) Ratio of the proportion  
23 of voucher households living in  
24 concentrated low-income areas to  
25 the proportion of renter-occupied

1 units in concentrated low-income  
2 areas.

3 (ii) Characteristics of census  
4 tracts where voucher recipients  
5 reside.

6 (VIII) How the public housing  
7 agency met each of the statutory re-  
8 quirements in section 204(c)(3) of the  
9 Departments of Veterans Affairs and  
10 Housing and Urban Development, and  
11 Independent Agencies Appropriations  
12 Act, 1996 (42 U.S.C. 1437f note).

13 (iii) Impacts on public housing staff-  
14 ing and capacity, including the average  
15 public housing agency operating, adminis-  
16 trative, and housing assistance payment  
17 expenditures per household per month.

18 (C) Legislative recommendations for flexi-  
19 bilities that could be expanded to all public  
20 housing agencies and how each flexibility en-  
21 hances housing choice, affordability, and admin-  
22 istrative capacity and efficiency for public hous-  
23 ing agencies.

24 (3) PUBLIC AVAILABILITY.—

1           (A) IN GENERAL.—The Secretary shall  
2 maintain all reports submitted pursuant to this  
3 section in a manner that is publicly available,  
4 accessible, and searchable on the website of the  
5 Department of Housing and Urban Develop-  
6 ment for not less than 5 years.

7           (B) OTHER INFORMATION.—

8           (i) IN GENERAL.—Annually, the Sec-  
9 retary shall make the annual plan of the  
10 Moving to Work demonstration, the Sec-  
11 tion 8 administrative plan, and the admis-  
12 sion and continued occupancy policy pub-  
13 licly available in 1 location on the website  
14 of the Department of Housing and Urban  
15 Development for not less than 5 years.

16          (ii) DATABASE.—The Secretary may  
17 establish a searchable database on the  
18 website of the Department of Housing and  
19 Urban Development to track the types of  
20 flexibilities into which Moving to Work  
21 demonstration public housing agencies  
22 have opted or for which a waiver was ap-  
23 proved by the Secretary, disaggregated by  
24 year such flexibilities were adopted or ap-  
25 proved.

1 **SEC. 505. REDUCING HOMELESSNESS THROUGH PROGRAM**  
2 **REFORM ACT.**

3 (a) DEFINITIONS.—In this section:

4 (1) APPROPRIATE CONGRESSIONAL COMMIT-  
5 TEES.—The term “appropriate congressional com-  
6 mittees” means—

7 (A) the Committee on Banking, Housing,  
8 and Urban Affairs of the Senate; and

9 (B) the Committee on Financial Services  
10 of the House of Representatives.

11 (2) AT RISK OF HOMELESSNESS.—The term  
12 “at risk of homelessness” has the meaning given the  
13 term in section 401 of the McKinney-Vento Home-  
14 less Assistance Act (42 U.S.C. 11360).

15 (3) DEPARTMENT.—The term “Department”  
16 means the Department of Housing and Urban De-  
17 velopment.

18 (4) HOMELESS.—The term “homeless” has the  
19 meaning given the term in section 103 of the  
20 McKinney-Vento Homeless Assistance Act (42  
21 U.S.C. 11302).

22 (5) PUBLIC HOUSING AGENCY.—The term  
23 “public housing agency” has the meaning given the  
24 term in section 3(b) of the United States Housing  
25 Act of 1937 (42 U.S.C. 1437a(b)).

1           (6) SECRETARY.—The term “Secretary”, except  
2           as otherwise provided, means the Secretary of Hous-  
3           ing and Urban Development.

4           (b) ADMINISTRATIVE COSTS FOR THE EMERGENCY  
5 SOLUTIONS GRANTS PROGRAM.—Section 418 of the  
6 McKinney-Vento Homeless Assistance Act (42 U.S.C.  
7 11378) is amended by striking “7.5 percent” and insert-  
8 ing “10 percent”.

9           (c) AMENDMENTS TO THE CONTINUUM OF CARE  
10 PROGRAM.—

11           (1) IN GENERAL.—Subtitle C of title IV of the  
12 McKinney-Vento Homeless Assistance Act (42  
13 U.S.C. 11381 et seq.) is amended—

14                   (A) in section 402(g) (42 U.S.C.  
15 11360a(g))—

16                           (i) by redesignating paragraph (2) as  
17 paragraph (3); and

18                           (ii) by inserting after paragraph (1)  
19 the following:

20                   “(2) TIME LIMIT ON DESIGNATION.—The Sec-  
21 retary—

22                           “(A) shall accept applications for designa-  
23 tion as a unified funding agency annually or bi-  
24 ennially, which designation shall be effective for  
25 not more than 2 years; and

1           “(B) may, on an annual or biennial basis,  
2           renew any designation under subparagraph  
3           (A).”;

4           (B) in section 422 (42 U.S.C. 11382)—  
5           (i) in subsection (b)—

6                       (I) by striking “The Secretary”  
7                       and inserting the following:

8           “(1) IN GENERAL.—Except as provided in para-  
9           graph (2), the Secretary”; and  
10                       (II) by adding at the end the fol-  
11                       lowing:

12           “(2) 2-YEAR NOTIFICATION.—Subject to the  
13           availability of appropriations, the Secretary may  
14           issue a notification of funding availability for grants  
15           awarded under this subtitle that provides funding  
16           for 2 successive fiscal years, which shall—

17                       “(A) award funds for the second year of  
18                       projects, including adjustments under sub-  
19                       section (f), unless the project is underper-  
20                       forming, as determined by the collaborative ap-  
21                       plicant, and the collaborative applicant applies  
22                       to replace the project with a new project; and

23                       “(B) include—

1 “(i) the method for applying for and  
2 awarding projects to replace underper-  
3 forming projects in year 2;

4 “(ii) the method for applying for and  
5 awarding renewals of expiring grants for  
6 projects that were not eligible for renewal  
7 in the first fiscal year;

8 “(iii) the method for allocating any  
9 amounts in the second fiscal year that are  
10 in excess of the amount needed to fund the  
11 second fiscal year of all grants awarded in  
12 the first fiscal year;

13 “(iv) the method of applying for and  
14 awarding grants, which are 1-year transi-  
15 tion grants awarded by the Secretary to  
16 project sponsors for activities under this  
17 subtitle to transition from 1 eligible activ-  
18 ity to another eligible activity if the recipi-  
19 ent—

20 “(I) has the consent of the con-  
21 tinuum of care; and

22 “(II) meets standards determined  
23 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”;



1                   (ii) in paragraph (7), in the matter  
2                   preceding subparagraph (A), by inserting  
3                   “payment of not more than 6 months of  
4                   arrears for rent and utility expenses,”  
5                   after “moving costs,”; and

6                   (iii) in paragraph (10), by striking “3  
7                   percent” and inserting “the greater of ei-  
8                   ther \$70,000 or 5 percent”;

9                   (D) in section 425 (42 U.S.C. 11385), by  
10                  adding at the end the following:

11               “(f) ADJUSTMENT OF COSTS.—Not later than 1 year  
12               after the date of enactment of this subsection, and on a  
13               biennial basis thereafter, the Comptroller General of the  
14               United States—

15               “(1) shall study the hiring, retention, and com-  
16               pensation levels of the workforce providing the serv-  
17               ices described in subsection (c), including executive  
18               directors, case managers, and frontline staff, and ex-  
19               amine whether low compensation is undermining  
20               program effectiveness;

21               “(2) shall submit to the appropriate congres-  
22               sional committees a report on any findings, and to  
23               the Secretary any recommendations, as the Comp-  
24               troller General considers appropriate regarding fund-  
25               ing levels for the cost of the supportive services and

1 the staffing to provide the services described in sub-  
2 section (c); and

3 “(3) in carrying out the study under paragraph  
4 (1), may reference the Consumer Price Index or  
5 other similar surveys.”;

6 (E) in section 426 (42 U.S.C. 11386), by  
7 adding at the end the following:

8 “(h) INSPECTIONS.—When complying with inspection  
9 requirements for a housing unit provided to a homeless  
10 individual or family using assistance under this subtitle,  
11 the Secretary may allow a grantee to—

12 “(1) conduct a pre-inspection not more than 60  
13 days before leasing the unit;

14 “(2) if the unit is located in a rural or small  
15 area, conduct a remote or video inspection of a unit;  
16 and

17 “(3) allow the unit to be leased prior to comple-  
18 tion of an inspection if the unit passed an alter-  
19 native Federal inspection within the preceding 12-  
20 month period, so long as the unit is inspected not  
21 later than 15 days after the start of the lease.”; and

22 (F) in section 430 (42 U.S.C. 11386d), by  
23 adding at the end the following:

24 “(d) COSTS PAID BY PROGRAM INCOME.—With re-  
25 spect to grant amounts awarded under this subtitle, costs

1 paid by the program income of a grant recipient may  
2 count toward the contributions required under subsection  
3 (a) if the costs—

4 “(1) are eligible expenses under this subtitle;

5 “(2) meet standards determined by the Sec-  
6 retary; and

7 “(3) supplement activities carried out by the re-  
8 cipient under this subtitle.”.

9 (2) OTHER MODIFICATIONS.—

10 (A) DEFINITIONS.—In this paragraph—

11 (i) the terms “collaborative applicant”  
12 and “eligible entity” have the meanings  
13 given those terms in section 401 of the  
14 McKinney-Vento Homeless Assistance Act  
15 (42 U.S.C. 11360); and

16 (ii) the terms “Indian tribe” and  
17 “tribally designated housing entity” have  
18 the meanings given those terms in section  
19 4 of the Native American Housing Assist-  
20 ance and Self-Determination Act of 1996  
21 (25 U.S.C. 4103).

22 (B) NONAPPLICATION OF CIVIL RIGHTS  
23 LAWS.—With respect to the funds made avail-  
24 able for the Continuum of Care program au-  
25 thorized under subtitle C of title IV of the

1 McKinney-Vento Homeless Assistance Act (42  
2 U.S.C. 11381 et seq.) under the heading  
3 “Homeless Assistance Grants” in the Depart-  
4 ment of Housing and Urban Development Ap-  
5 propriations Act, 2021 (Public Law 116–260)  
6 and under section 231 of the Department of  
7 Housing and Urban Development Appropria-  
8 tions Act, 2020 (42 U.S.C. 11364a), title VI of  
9 the Civil Rights Act of 1964 (42 U.S.C. 2000d  
10 et seq.) and title VIII of the Civil Rights Act  
11 of 1968 (42 U.S.C. 3601 et seq.) shall not  
12 apply to applications by or awards for projects  
13 to be carried out—

14 (i) on or off reservation or trust lands  
15 for awards made to Indian tribes or trib-  
16 ally designated housing entities; or

17 (ii) on reservation or trust lands for  
18 awards made to eligible entities.

19 (C) CERTIFICATION.—With respect to  
20 funds made available for the Continuum of  
21 Care program authorized under subtitle C of  
22 title IV of the McKinney-Vento Homeless As-  
23 sistance Act (42 U.S.C. 11381 et seq.) under  
24 the heading “Homeless Assistance Grants”  
25 under section 231 of the Department of Hous-

1           ing and Urban Development Appropriations  
2           Act, 2020 (42 U.S.C. 11364a)—

3                   (i) applications for projects to be car-  
4                   ried out on reservations or trust land shall  
5                   contain a certification of consistency with  
6                   an approved Indian housing plan developed  
7                   under section 102 of the Native American  
8                   Housing Assistance and Self-Determina-  
9                   tion Act (25 U.S.C. 4112), notwith-  
10                  standing section 106 of the Cranston-Gon-  
11                  zalez National Affordable Housing Act (42  
12                  U.S.C. 12706) and section 403 of the  
13                  McKinney-Vento Homeless Assistance Act  
14                  (42 U.S.C. 11361);

15                  (ii) Indian tribes and tribally des-  
16                  ignated housing entities that are recipients  
17                  of awards for projects on reservations or  
18                  trust land shall certify that they are fol-  
19                  lowing an approved housing plan developed  
20                  under section 102 of the Native American  
21                  Housing Assistance and Self-Determina-  
22                  tion Act (25 U.S.C. 4112); and

23                  (iii) a collaborative applicant for a  
24                  Continuum of Care whose geographic area  
25                  includes only reservation and trust land is

1 not required to meet the requirement in  
2 section 402(f)(2) of the McKinney-Vento  
3 Homeless Assistance Act (42 U.S.C.  
4 11360a(f)(2)).

5 (d) AMENDMENTS TO THE HOUSING CHOICE VOUCH-  
6 ER PROGRAM.—Section 8(o)(5) of the United States  
7 Housing Act of 1937 (42 U.S.C. 1437f(o)(5)) is amended  
8 by adding at the end the following:

9 “(C) EXCEPTIONS.—Notwithstanding sub-  
10 paragraph (A)—

11 “(i) a public housing agency may ac-  
12 cept a third party income calculation and  
13 verification of family income for purposes  
14 of this subsection if—

15 “(I) the calculation and  
16 verification was completed for deter-  
17 mination of income eligibility for a  
18 Federal program or service during the  
19 preceding 12-month period; and

20 “(II) there has been no change in  
21 income or family composition since  
22 the calculation and verification under  
23 clause (i); and

24 “(ii) when using prior year income  
25 under section 3(a)(7)(B), a public housing

1           agency shall use the income of the family  
2           as determined by the agency or owner for  
3           the prior calendar year or another 12-  
4           month period ending during the preceding  
5           12 months, taking into consideration any  
6           redetermination of income between the  
7           start of such prior calendar year or other  
8           12-month period and the date of the an-  
9           nual review.”;

10       (e) IMPROVING COORDINATION BETWEEN HEALTH  
11 CARE SYSTEMS AND SUPPORTIVE SERVICES.—Not later  
12 than 180 days after the date of enactment of this Act,  
13 the Secretary of Health and Human Services and the Sec-  
14 retary shall seek to enter into an agreement with the Na-  
15 tional Academies of Sciences, Engineering, and Medicine  
16 to conduct and submit to the appropriate congressional  
17 committees an evidence-based, nonpartisan analysis  
18 that—

19           (1) reviews the research on linkages between ac-  
20       cess to affordable health care and homelessness and  
21       analyzes the effect of greater coordination and part-  
22       nerships between health care organizations, mental  
23       health and substance use disorder and substance use  
24       disorder service providers, and housing service pro-  
25       viders, including possible cost-savings from providing

1 greater access to health services, recovery housing,  
2 or housing-related supportive services for individuals  
3 experiencing chronic homelessness and other types of  
4 homelessness; and

5 (2) includes policy and program recommenda-  
6 tions for improving access to health care and hous-  
7 ing, health care and housing outcomes, possible cost-  
8 savings and efficiencies, and best practices.

9 (f) DEMONSTRATION AUTHORITY.—

10 (1) IN GENERAL.—Subtitle A of title IV of the  
11 McKinney-Vento Homeless Assistance Act (42  
12 U.S.C. 11360 et seq.) is amended by adding at the  
13 end the following:

14 **“SEC. 409. DEMONSTRATION AUTHORITY.**

15 “(a) DEFINITIONS.—In this section:

16 “(1) APPROPRIATE CONGRESSIONAL COMMIT-  
17 TEES.—The term ‘appropriate congressional com-  
18 mittees’ means—

19 “(A) the Committee on Banking, Housing,  
20 and Urban Affairs of the Senate; and

21 “(B) the Committee on Financial Services  
22 of the House of Representatives.

23 “(2) HEALTH CARE ORGANIZATION.—The term  
24 ‘health care organization’ means an entity providing



1 medical or mental and behavioral health care, in-  
2 cluding—

3 “(A) a hospital (as defined in section  
4 1861(e) of the Social Security Act (42 U.S.C.  
5 1395x(e)));

6 “(B) a Federally-qualified health center  
7 (as defined in section 1905(l)(2) of the Social  
8 Security Act (42 U.S.C. 1396d(l)(2))) or an-  
9 other community health center eligible to re-  
10 ceive a grant under section 330 of the Public  
11 Health Service Act (42 U.S.C. 254b); and

12 “(C) a licensed or certified provider of evi-  
13 dence-based substance use disorder services or  
14 mental health services providing such services  
15 pursuant to funding under a block grant for  
16 substance use prevention, treatment, and recov-  
17 ery services or a block grant for community  
18 mental health services under subpart II or sub-  
19 part I, respectively, of part B of title XIX of  
20 the Public Health Service Act (42 U.S.C. 300x  
21 et seq.).

22 “(3) HOUSING PROVIDER.—The term ‘housing  
23 provider’ means an entity, including a grant recipi-  
24 ent under subtitle B or C of this title, a public hous-  
25 ing agency (as defined in section 3 of the United

1 States Housing Act of 1937 (42 U.S.C. 1437a)), or  
2 a federally funded organization or a nonprofit orga-  
3 nization, that administers a program to provide  
4 housing services to individuals experiencing or at  
5 risk of homelessness, including rapid re-housing,  
6 transitional housing, housing choice vouchers, and  
7 housing-related supportive services.

8 “(b) AUTHORITY.—The Secretary may establish  
9 demonstration projects or partnerships that involve col-  
10 laboration between housing providers and healthcare orga-  
11 nizations to provide housing-related supportive services,  
12 including—

13 “(1) assistance in coordinating data systems in  
14 a manner that is compliant with the Health Insur-  
15 ance Portability and Accountability Act (Public Law  
16 104–191); and

17 “(2) projects or partnerships that are aimed at  
18 serving individuals—

19 “(A) who are homeless, chronically home-  
20 less, or at risk of homelessness; and

21 “(B) with—

22 “(i) a high-use of emergency services  
23 or emergency departments;

1 “(ii) chronic disabilities, including  
2 physical health or mental health condi-  
3 tions;

4 “(iii) substance use disorders;

5 “(iv) serious mental illness; or

6 “(v) other severe service needs.

7 “(c) REPORT.—Not later than 2 years after the date  
8 of enactment of this Act, and every 4 years thereafter,  
9 the Secretary shall submit to the appropriate congres-  
10 sional committees a report on each demonstration project  
11 or partnership established under this section.”.

12 (2) TECHNICAL AND CONFORMING AMEND-  
13 MENT.—The table of contents in section 101(b) of  
14 the McKinney-Vento Homeless Assistance Act (42  
15 U.S.C. 11301 note) is amended by inserting after  
16 the item relating to section 408 the following:

“Sec. 409. Demonstration authority.”.

17 (g) STREAMLINING COORDINATED ENTRY.—

18 (1) AUDIT BY THE COMPTROLLER GENERAL.—  
19 Not later than 1 year after the date of enactment  
20 of this Act, the Comptroller General of the United  
21 States shall—

22 (A) conduct a multi-community evaluation  
23 of the operations of coordinated assessment sys-  
24 tems by the Continuum of Care Program under  
25 subtitle C of title IV of the McKinney-Vento

1 Homeless Assistance Act (42 U.S.C. 11381 et  
2 seq.) program to examine the efficiency, accu-  
3 racy, and outcomes of those operations; and

4 (B) submit to the appropriate congres-  
5 sional committees on any findings and to the  
6 Secretary on any recommendations, as the  
7 Comptroller General considers appropriate, for  
8 a more effective and efficient coordinated entry  
9 process.

10 (2) ASSESSMENTS.—Not later than 2 years  
11 after the date of enactment of this Act, the Sec-  
12 retary shall—

13 (A) evaluate the coordinated assessment  
14 processes under the Continuum of Care Pro-  
15 gram under subtitle C of title IV of the McKin-  
16 ney-Vento Homeless Assistance Act (42 U.S.C.  
17 11381 et seq.), which shall include—

18 (i) a request for information from  
19 continuums of care about coordinated  
20 entry tools, processes, barriers, documenta-  
21 tion barriers, and necessary guidance;

22 (ii) incorporation of findings from rel-  
23 evant reports and demonstrations of the  
24 Department, including the report described  
25 in paragraph (1); and

1           (iii) consultation with organizations  
2           with expertise in providing health care to  
3           people experiencing homelessness on best  
4           practices in assessment tools for  
5           prioritizing resources and characterizing  
6           chronic homelessness and people experi-  
7           encing homelessness with high-service  
8           needs;

9           (B) issue an updated notice, which shall  
10          include guidance—

11           (i) on effective assessment processes  
12           that remove barriers, streamline access,  
13           allow for coordination with public housing  
14           agencies, include trauma-informed data  
15           collection practices, improve accuracy, ad-  
16           dress needs for underserved groups, and  
17           successfully rehouse homeless individuals;

18           (ii) that includes all key populations  
19           and subpopulations, including consider-  
20           ation for age, family status, health status,  
21           or other factors, access points,  
22           prioritization, and programs and systems  
23           serving individuals experiencing homeless-  
24           ness; and

1 (iii) that allows for local flexibility and  
2 tailoring based on the needs and resources  
3 within the specific community; and

4 (C) establish a timely, periodic procedure  
5 to request feedback on coordinated assessment  
6 and update the guidance, which may include  
7 conducting a request for information not less  
8 frequently than once every 5 years.

9 (h) IMPROVING TARGETED DATA COLLECTION,  
10 FUNDING, AND COORDINATION.—The Secretary shall—

11 (1) issue not less than 1 request for informa-  
12 tion on—

13 (A) improving data collection, including  
14 through the use of the Homeless Management  
15 Information System or other data systems;

16 (B) coordination and use of data between  
17 housing and homelessness providers and phys-  
18 ical, mental, and behavioral health organiza-  
19 tions, substance use treatment providers, and  
20 the Department of Veterans Affairs for imple-  
21 mentation of programs to provide services for  
22 people experiencing or at risk of homelessness,  
23 including the chronically homeless; and

24 (C) the potential benefits and risks of  
25 using artificial intelligence models for the pur-

1           pose of improving program coordination and ef-  
2           fectiveness and assessing the effectiveness of  
3           interventions to house individuals experiencing  
4           or at risk of homelessness, including by sub-  
5           populations;

6           (2) consider providing incentives to improve  
7           data collection, enhance the use of the Homeless  
8           Management Information System, implement com-  
9           munity information exchanges, and strengthen the  
10          coordination of data from physical, mental, and be-  
11          havioral health organizations with housing and  
12          homelessness providers, in order to target resources  
13          for housing, outreach, homelessness prevention, and  
14          housing-related supportive services for homeless indi-  
15          viduals, or chronically homeless individuals; and

16          (3) coordinate with the Secretary of the Depart-  
17          ment of Veterans Affairs to improve coordination be-  
18          tween data systems for vouchers provided under sec-  
19          tion 8(o)(19) of the United States Housing Act of  
20          1937 (42 U.S.C. 1437f(o)(19)), the Homeless Man-  
21          agement Information System, and any other applica-  
22          ble homeless program supported by the Department  
23          of Veterans Affairs.

24          (i) RULE OF CONSTRUCTION.—Nothing in this sec-  
25          tion or the amendments made by this section shall be con-

1 strued to limit the authority of the Secretary to provide  
2 flexibility under housing laws in effect as of the date of  
3 enactment of this Act. The flexibilities and waivers author-  
4 ized under this section and the amendments made by this  
5 section shall not replace or result in the termination of  
6 other flexibilities and waivers that the Secretary is author-  
7 ized to exercise.

8 **SEC. 506. INCENTIVIZING LOCAL SOLUTIONS TO HOME-**  
9 **LESSNESS.**

10 Section 414 of the McKinney-Vento Homeless Assist-  
11 ance Act (42 U.S.C. 11373) is amended by adding at the  
12 end the following:

13 “(f) FUNDING CAP WAIVER AUTHORITY.—

14 “(1) IN GENERAL.—Notwithstanding any other  
15 provision of law or regulation, a recipient may re-  
16 quest a waiver of the spending cap established pur-  
17 suant to section 415(b) for amounts provided be-  
18 tween fiscal years 2026 through 2029.

19 “(2) WAIVER REQUEST.—

20 “(A) IN GENERAL.—A recipient seeking a  
21 waiver described in paragraph (1) shall submit  
22 to the Secretary a waiver request that includes  
23 not more than the following:



1 “(i) A demonstration of local needs  
2 and circumstances that necessitate a waiver.  
3 er.

4 “(ii) A detailed plan for how the re-  
5 cipient intends to use funds.

6 “(iii) A justification for how the pro-  
7 posed use of funds supports the most re-  
8 cent Consolidated Annual Performance and  
9 Evaluation Report of the recipient.

10 “(iv) Any public input solicited under  
11 subparagraph (B)(ii).

12 “(B) NOTIFICATION.—Each recipient  
13 shall—

14 “(i) notify all subrecipients, including  
15 local continuums of care, of the availability  
16 of waivers under this subsection; and

17 “(ii) prior to the submission of a  
18 waiver request under subparagraph (A),  
19 solicit public input regarding the potential  
20 need for and proposed uses of such waiver.

21 “(C) APPROVAL; PUBLICATION.—The Sec-  
22 retary shall—

23 “(i) make all waiver requests sub-  
24 mitted under subparagraph (A) publicly

1 available on the website of the Department  
2 of Housing and Urban Development;

3 “(ii) not later than 60 days after the  
4 date on which the Secretary receives a  
5 waiver request under subparagraph (A),  
6 approve or deny the request; and

7 “(iii) deny any waiver submitted  
8 under subparagraph (A) by a recipient  
9 that relocates or threaten to relocates indi-  
10 viduals or their property without providing  
11 emergency shelter, rapid rehousing, transi-  
12 tional housing, permanent supportive hous-  
13 ing, or other permanent housing options.

14 “(3) REVOCATION.—

15 “(A) IN GENERAL.—A waiver approved  
16 under this subsection shall remain in effect for  
17 each of fiscal years 2026 through 2029 unless  
18 the recipient notifies the Secretary in writing  
19 that the recipient wishes to revoke the waiver.

20 “(B) NOTIFICATION.—If a recipient re-  
21 vokes a waiver under subparagraph (A), the re-  
22 cipient shall solicit input from subrecipients re-  
23 garding the revocation and provide a justifica-  
24 tion for the revocation.

1           “(C) PUBLICATION.—The Secretary shall  
 2           publish any revocation of a waiver under sub-  
 3           paragraph (A) and the justification of the re-  
 4           cipient for the waiver on the website of the De-  
 5           partment of Housing and Urban Develop-  
 6           ment.”.

## 7           **TITLE VI—VETERANS AND** 8           **HOUSING**

### 9   **SEC. 601. VA HOME LOAN AWARENESS ACT.**

10       (a) IN GENERAL.—Subpart A of part 2 of the Fed-  
 11       eral Housing Enterprises Financial Safety and Soundness  
 12       Act of 1992 (12 U.S.C. 4541 et seq.) is amended by add-  
 13       ing at the end the following:

#### 14   **“SEC. 1329. UNIFORM RESIDENTIAL LOAN APPLICATION.**

15       “Not later than 6 months after the date of enactment  
 16       of this section, the Director shall, by regulation or order,  
 17       require each enterprise to include a disclaimer below the  
 18       military service question on the form known as the Uni-  
 19       form Residential Loan Application stating, ‘If yes, you  
 20       may qualify for a VA Home Loan. Consult your lender  
 21       regarding eligibility.’.”.

22       (b) GAO STUDY.—Not later than 18 months after  
 23       the date of enactment of this Act, the Comptroller General  
 24       of the United States shall conduct a study and submit to  
 25       Congress a report on whether not less than 80 percent

1 of lenders using the Uniform Residential Loan Application  
 2 have included on that form the disclaimer required under  
 3 section 1329 of the Federal Housing Enterprises Finan-  
 4 cial Safety and Soundness Act of 1992, as added by sub-  
 5 section (a).

6 **SEC. 602. VETERANS AFFAIRS LOAN INFORMED DISCLO-**  
 7 **SURE (VALID) ACT.**

8 (a) FHA INFORMED CONSUMER CHOICE DISCLO-  
 9 SURE.—

10 (1) INCLUSION OF INFORMATION RELATING TO  
 11 VA LOANS.—Subparagraph (A) of section 203(f)(2)  
 12 of the National Housing Act (12 U.S.C.  
 13 1709(f)(2)(A)) is amended—

14 (A) by inserting “(i)” after “loan-to-value  
 15 ratio”; and

16 (B) by inserting before the semicolon the  
 17 following: “, and (ii) in connection with a loan  
 18 guaranteed or insured under chapter 37 of title  
 19 38, United States Code, assuming prevailing in-  
 20 terest rates”.

21 (2) RULE OF CONSTRUCTION.—Nothing in the  
 22 amendments made by paragraph (1) shall be con-  
 23 strued to require an original lender to determine  
 24 whether a prospective borrower is eligible for any  
 25 loan included in the notice required under section

1       203(f) of the National Housing Act (12 U.S.C.  
2       1709(f)).

3       (b) MILITARY SERVICE QUESTION.—

4           (1) IN GENERAL.—Subpart A of part 2 of sub-  
5       title A of the Federal Housing Enterprises Financial  
6       Safety and Soundness Act of 1992 (12 U.S.C. 4541  
7       et seq.), as amended by section 601(a) of this Act,  
8       is amended by adding at the end the following:

9       **“SEC. 1330. UNIFORM RESIDENTIAL LOAN APPLICATION.**

10       “Not later than 6 months after the date of enactment  
11       of this section, the Director shall require each enterprise  
12       to—

13           “(1) include a military service question on the  
14       form known as the Uniform Residential Loan Appli-  
15       cation; and

16           “(2) position the question described in para-  
17       graph (1) above the signature line of the Uniform  
18       Residential Loan Application.”.

19           (2) RULEMAKING.—Not later than 6 months  
20       after the date of enactment of this Act, the Director  
21       of the Federal Housing Finance Agency shall issue  
22       a rule to carry out the amendment made by this sec-  
23       tion.

1 **SEC. 603. HOUSING UNHOUSED DISABLED VETERANS ACT.**

2 (a) EXCLUSION OF CERTAIN DISABILITY BENE-  
3 FITS.—Section 3(b)(4)(B) of the United States Housing  
4 Act of 1937 (42 U.S.C. 1437a(b)(4)(B)) is amended—

5 (1) by redesignating clauses (iv) and (v) as  
6 clauses (vi) and (vii), respectively; and

7 (2) by inserting after clause (iii) the following:

8 “(iv) for the purpose of determining  
9 income eligibility with respect to the sup-  
10 ported housing program under section  
11 8(o)(19), any disability benefits received  
12 under chapter 11 or chapter 15 of title 38,  
13 United States Code, received by a veteran,  
14 except that this exclusion shall not apply  
15 to the income in the definition of adjusted  
16 income;

17 “(v) for the purpose of determining  
18 income eligibility with respect to any  
19 household receiving rental assistance under  
20 the supported housing program under sec-  
21 tion 8(o)(19) as it relates to eligibility for  
22 other types of housing assistance, any dis-  
23 ability benefits received under chapter 11  
24 or chapter 15 of title 38, United States  
25 Code, received by a veteran, except that

1                   this exclusion shall not apply to income in  
2                   the definition of adjusted income;”.

3           (b) TREATMENT OF CERTAIN DISABILITY BENE-  
4   FITS.—

5           (1) IN GENERAL.—When determining the eligi-  
6   bility of a veteran to rent a residential dwelling unit  
7   constructed on Department property on or after the  
8   date of the enactment of this Act, for which assist-  
9   ance is provided as part of a housing assistance pro-  
10   gram administered by the Secretary, the Secretary  
11   shall exclude from income any disability benefits re-  
12   ceived under chapter 11 or chapter 15 of title 38,  
13   United States Code by such person.

14           (2) DEFINITIONS.—In this subsection:

15           (A) SECRETARY.—The term “Secretary”  
16   means the Secretary of Housing and Urban De-  
17   velopment.

18           (B) DEPARTMENT PROPERTY.—The term  
19   “Department property” has the meaning given  
20   the term in section 901 of title 38, United  
21   States Code.

1       **TITLE VII—OVERSIGHT AND**  
2               **ACCOUNTABILITY**

3   **SEC. 701. REQUIRING ANNUAL TESTIMONY AND OVER-**  
4               **SIGHT FROM HOUSING REGULATORS.**

5       (a) HUD PROGRAMS.—The Department of Housing  
6   and Urban Development Act (42 U.S.C. 3531 et seq.) is  
7   amended by adding at the end the following:

8   **“SEC. 15. ANNUAL TESTIMONY.**

9       “The Secretary shall, on an annual basis, testify be-  
10   fore the Committee on Banking, Housing, and Urban Af-  
11   fairs of the Senate and the Committee on Financial Serv-  
12   ices of the House of Representatives on the status of all  
13   programs carried out by the Department, at the request  
14   of the relevant committee.”.

15       (b) GOVERNMENT GUARANTEED OR INSURED MORT-  
16   GAGES.—On an annual basis, the following individuals  
17   shall testify before the appropriate committees of Congress  
18   with respect to mortgage loans made, guaranteed, or in-  
19   sured by the Federal Government:

20               (1) The President of the Government National  
21       Mortgage Association.

22               (2) The Federal Housing Commissioner.

23               (3) The Administrator of the Rural Housing  
24       Service.



1           (4) The Executive Director of the Loan Guar-  
2           anty Service of the Department of Veterans Affairs.

3           (5) The Director of the Federal Housing Fi-  
4           nance Agency.

5           (c) MORTGAGEE REVIEW BOARD.—Section 202(c)(8)  
6 of the National Housing Act (12 U.S.C. 1708(c)(8)) is  
7 amended—

8           (1) by striking “, in consultation with the Fed-  
9           eral Housing Administration Advisory Board,”; and

10          (2) by inserting “and to Congress” after “the  
11          Secretary”.

12 **SEC. 702. FHA REPORTING REQUIREMENTS ON SAFETY**  
13 **AND SOUNDNESS.**

14          (a) MONTHLY REPORTING ON MUTUAL MORTGAGE  
15 INSURANCE FUND CAPITAL RATIO.—Section 202(a) of  
16 the National Housing Act (12 U.S.C. 1708(a)) is amended  
17 by adding at the end the following:

18           “(8) OTHER REQUIRED REPORTING.—The Sec-  
19          retary shall—

20           “(A) submit to Congress monthly reports  
21          on the capital ratio required under section  
22          205(f)(2); and

23           “(B) notify Congress as soon as prac-  
24          ticable after the Fund falls below the capital  
25          ratio required under section 205(f)(2).”.

1 (b) ANNUAL INDEPENDENT ACTUARIAL STUDY.—  
2 Section 202(a)(4) of the National Housing Act (12 U.S.C.  
3 1708(a)(4)) is amended—

4 (1) by striking “The Secretary” and inserting  
5 the following:

6 “(A) DEFINITION.—In this paragraph, the  
7 term ‘first-time homebuyer’ means a borrower  
8 for whom no consumer report (as defined in  
9 section 603 of the Fair Credit Reporting Act  
10 (15 U.S.C. 1681a)) indicates that the borrower  
11 has or had a loan with a consumer purpose that  
12 is secured by a 1- to 4-unit residential real  
13 property.

14 “(B) STUDY AND REPORT.—The Sec-  
15 retary”; and

16 (2) in subparagraph (B), as so designated, by  
17 striking “also” and inserting “detail how many loans  
18 were originated in each census tract to first-time  
19 homebuyers, as well as”.

20 (c) ANNUAL REPORT.—Section 203(w)(2) of the Na-  
21 tional Housing Act (12 U.S.C. 1709(w)(2)) is amended  
22 by inserting “and first-time homebuyers (as defined in sec-  
23 tion 202(a)(4)(A))” after “minority borrowers”.

24 (d) GAO STUDY ON SUSTAINABLE HOMEOWNER-  
25 SHIP.—Not later than 180 days after the date of enact-

1 ment of this Act, the Comptroller General of the United  
2 States shall conduct a study and submit to Congress a  
3 report on—

4           (1) the value for the Federal Housing Adminis-  
5 tration of defining what is sustainable homeownership  
6 ship in a way that considers borrower default, refi-  
7 nancing of a mortgage that is not insured by the  
8 Federal Housing Administration, the Department of  
9 Veterans Affairs, or Rural Housing Service, paying  
10 off a mortgage loan and transitioning back to rent-  
11 ing, and other factors that demonstrate whether in-  
12 surance provided under title II of the National  
13 Housing Act (12 U.S.C. 1707 et seq.) has success-  
14 fully served a borrower, including for first-time  
15 homebuyers for whom no consumer report (as de-  
16 fined in section 603 of the Fair Credit Reporting  
17 Act (15 U.S.C. 1681a)) indicates that the borrower  
18 has or had a loan with a consumer purpose that is  
19 secured by a 1- to 4-unit residential real property;  
20 and

21           (2) the feasibility of the Federal Housing Ad-  
22 ministration developing a scorecard using the  
23 metrics described in paragraph (1) to measure bor-  
24 rower performance and reporting the scorecard data  
25 to Congress.

1 **SEC. 703. UNITED STATES INTERAGENCY COUNCIL ON**  
2 **HOMELESSNESS OVERSIGHT.**

3 Section 203(a) of the McKinney-Vento Homeless As-  
4 sistance Act (42 U.S.C. 11313(a)) is amended—

5 (1) in paragraph (1)—

6 (A) by striking “Homeless Emergency As-  
7 sistance and Rapid Transition to Housing Act  
8 of 2009” and inserting “Renewing Opportunity  
9 in the American Dream to Housing Act”; and

10 (B) by striking “update such plan annu-  
11 ally” and inserting the following: “submit to the  
12 President and Congress a report every year  
13 thereafter that includes— “

14 “(A) the status of completion of the plan;  
15 and

16 “(B) any modifications that were made to  
17 the plan and the reasons for those modifica-  
18 tions;”;

19 (2) by redesignating paragraphs (10) through  
20 (13) as paragraphs (11) through (14), respectively;

21 (3) by redesignating the second paragraph (9)  
22 (relating to collecting and disseminating informa-  
23 tion) as paragraph (10);

24 (4) in paragraph (13), as so redesignated, by  
25 striking “and” at the end;

1           (5) in paragraph (14), as so redesignated, by  
2       striking the period at the end and inserting “; and  
3           (6) by adding at the end the following:  
4           “(15) testify annually before Congress.”.

5 **SEC. 704. NEIGHBORWORKS ACCOUNTABILITY ACT.**

6       (a) IN GENERAL.—Section 415(a)(1)(A) of title 5,  
7 United States Code, is amended by inserting “the Neigh-  
8 borhood Reinvestment Corporation,” after “the Postal  
9 Regulatory Commission,”.

10       (b) DUTIES AND AUDITS.—The Neighborhood Rein-  
11 vestment Corporation Act (42 U.S.C. 8101 et seq.) is  
12 amended—

13           (1) in section 606 (42 U.S.C. 8105), by adding  
14       at the end the following:

15       “(e)(1) There is authorized to be appropriated to the  
16 Office of Inspector General of the corporation established  
17 under section 415 of title 5, United States Code, such  
18 sums as may be necessary to carry out this Act.

19       “(2) There shall not be transferred to the Office of  
20 Inspector General of the corporation any program oper-  
21 ating responsibilities of the corporation, including the or-  
22 ganizational assessments work and grantee oversight func-  
23 tion of the corporation.”.

24       (c) INDEPENDENT AUDIT.—Section 607 of the  
25 Neighborhood Reinvestment Corporation Act (42 U.S.C.

1 8106) is amended by striking subsection (b) and inserting  
 2 following:

3 “(b)(1) The accounts of the corporation shall be au-  
 4 dited annually by an independent external auditor.

5 “(2) Notwithstanding any other audit work per-  
 6 formed by the Office of Inspector General of the corpora-  
 7 tion, the audits required under paragraph (1) shall be con-  
 8 ducted in accordance with generally accepted auditing  
 9 standards by independent certified public accountants who  
 10 are certified by a regulatory authority of the jurisdiction  
 11 in which the audit is undertaken.”.

12 **SEC. 705. APPRAISAL MODERNIZATION ACT.**

13 (a) RECONSIDERATION OF VALUE.—

14 (1) IN GENERAL.—Section 129E of the Truth  
 15 In Lending Act (15 U.S.C. 1639e) is amended—

16 (A) by redesignating subsections (j) and  
 17 (k) as subsections (k) and (l), respectively; and

18 (B) by inserting after subsection (i) the  
 19 following:

20 “(j) CONSUMER RIGHT TO RECONSIDERATION OF  
 21 VALUE OR SUBSEQUENT APPRAISAL.—

22 “(1) DEFINITIONS.—In this section:

23 “(A) UNACCEPTABLE APPRAISAL PRAC-  
 24 TICE.—The term ‘unacceptable appraisal prac-  
 25 tice’ means an appraisal report that—

1 “(i) uses unsupported or subjective  
2 terms to assess or rate the property with-  
3 out providing a foundation for analysis and  
4 contextual information;

5 “(ii) uses inaccurate or incomplete  
6 data about the subject property, the neigh-  
7 borhood, the market area, or any com-  
8 parable property;

9 “(iii) includes references, statements  
10 or comparisons about crime rates or crime  
11 statistics, whether objective or subjective;

12 “(iv) relies in the appraisal analysis  
13 on comparable properties that were not  
14 personally inspected by the appraiser when  
15 required by the appraisal’s scope of work;

16 “(v) relies in the appraisal analysis on  
17 inappropriate comparable properties;

18 “(vi) fails to use comparable prop-  
19 erties that are more similar, or nearer, to  
20 the subject property without adequate ex-  
21 planation;

22 “(vii) uses comparable property data  
23 provided by any interested party to the  
24 transaction without verification by a disin-  
25 terested party;

1 “(viii) uses inappropriate adjustments  
2 for differences between the subject prop-  
3 erty and the comparable properties that do  
4 not reflect the market’s reaction to such  
5 differences; or

6 “(ix) fails to make proper adjust-  
7 ments, including time adjustments for dif-  
8 ferences between the subject property and  
9 the comparable properties when necessary.

10 “(B) UNSUPPORTED.—The term ‘unsup-  
11 ported’ means, with respect to an appraisal re-  
12 port or an appraiser’s opinion of value, that the  
13 appraisal report or the opinion of value is not  
14 supported by relevant evidence and logic.

15 “(2) REVIEW.—In connection with a consumer  
16 credit transaction secured by a consumer’s principal  
17 dwelling, a creditor shall have a review and resolu-  
18 tion procedure for a consumer-initiated reconsider-  
19 ation of value or subsequent appraisal that complies  
20 with the following requirements:

21 “(A) The creditor shall complete its own  
22 appraisal review before delivering the appraisal  
23 to the consumer.

24 “(B) The creditor shall have policies and  
25 procedures that provide the consumer with a



1 process to submit 1 request for a reconsider-  
2 ation of value and subsequent appraisal prior to  
3 the loan closing or within 60 calendar days of  
4 denial of a credit application if the consumer  
5 believes the appraisal report may be unsup-  
6 ported, may be deficient due to an unacceptable  
7 appraisal practice, or may reflect discrimina-  
8 tion.

9 “(C) At the time of application and upon  
10 delivery of the appraisal report to the con-  
11 sumer, the creditor shall provide a written dis-  
12 closure to the consumer describing the process  
13 for requesting a reconsideration of value or sub-  
14 sequent appraisal, which written disclosure shall  
15 include a standardized format for the consumer  
16 to submit the request for a reconsideration of  
17 value, including—

18 “(i) the name of the borrower;

19 “(ii) the property address;

20 “(iii) the effective date of the ap-  
21 praisal;

22 “(iv) the appraiser’s name;

23 “(v) the date of the request;

24 “(vi) a description of why the con-  
25 sumer believes the appraisal report may be

1 unsupported, may be deficient due to an  
2 unacceptable appraisal practice, or may re-  
3 flect discrimination;

4 “(vii) any additional information,  
5 data, including not more than 5 alternative  
6 comparable properties and the related data  
7 sources that the consumer would like the  
8 appraiser to consider; and

9 “(viii) an explanation of why the new  
10 information, data, or comparable prop-  
11 erties support the reconsideration of value.

12 “(D) The creditor shall obtain the nec-  
13 essary information from the consumer if the  
14 consumer’s request for reconsideration of value  
15 or subsequent appraisal is unclear or requires  
16 more information.

17 “(E) The creditor shall have a standard-  
18 ized format to communicate the reconsideration  
19 of value to the appraiser, which format shall in-  
20 clude—

21 “(i) the name of the borrower;

22 “(ii) the property address;

23 “(iii) the effective date of the ap-  
24 praisal;

25 “(iv) the appraiser’s name;

1 “(v) the date of the request;

2 “(vi) a description of any area of the  
3 appraisal report that may be unsupported,  
4 may be deficient due to an unacceptable  
5 appraisal practice, or may reflect discrimi-  
6 nation;

7 “(vii) any additional information,  
8 data, including not more than 5 alternative  
9 comparable properties and the related data  
10 sources that the consumer would like the  
11 appraiser to consider;

12 “(viii) an explanation of why the new  
13 information, data, or comparable prop-  
14 erties support the reconsideration of value;

15 “(ix) a definition of turn-time expecta-  
16 tions for the appraiser to communicate the  
17 reconsideration of value results back to the  
18 creditor;

19 “(x) instructions for delivering the re-  
20 consideration of value response as part of  
21 a revised appraisal report that includes  
22 commentary on conclusions regardless of  
23 the outcome; and

24 “(xi) a reference for appraisers on  
25 how to correct minor appraisal issues or

1 non-material errors not related to the re-  
2 consideration of value process.

3 “(3) SUBSEQUENT APPRAISAL AND REFER-  
4 RAL.—

5 “(A) IN GENERAL.—If the creditor identi-  
6 fies material deficiencies in the appraisal report  
7 that are not corrected or addressed by the ap-  
8 praiser upon request of the creditor, including  
9 through a consumer-initiated reconsideration of  
10 value, or if there is evidence of unsupported or  
11 unacceptable appraisal practices, the creditor  
12 shall—

13 “(i) at the request of the consumer,  
14 order a subsequent appraisal at the credi-  
15 tor’s own expense; and

16 “(ii) forward the appraisal report and  
17 the creditor’s summary of findings to the  
18 appropriate appraisal licensing agency or  
19 regulatory board.

20 “(B) DISCRIMINATION.—If the creditor  
21 has reason to believe that an appraisal report  
22 reflects discrimination, the creditor shall—

23 “(i) order a subsequent appraisal, at  
24 the creditor’s own expense;

1 “(ii) forward the appraisal report and  
2 the creditor’s summary of findings to the  
3 appropriate local, State, or Federal en-  
4 forcement agency; and

5 “(iii) upon a final determination of  
6 discrimination by the appropriate local,  
7 State, or Federal enforcement agency, re-  
8 ceive a reimbursement from the appraiser  
9 covering the cost of the subsequent ap-  
10 praisal ordered by the creditor.

11 “(C) DEFINITION.—

12 “(i) IN GENERAL.—Except as pro-  
13 vided in clause (ii), in this paragraph, the  
14 term ‘reason to believe’ means that the  
15 creditor has reviewed the applicable law  
16 and available evidence and determined that  
17 a potential violation of Federal or state  
18 antidiscrimination law exists. The available  
19 evidence may include the appraisal report,  
20 loan files, written communications, credible  
21 observations by persons with direct knowl-  
22 edge, statistical analysis, and the apprais-  
23 er’s response to the request for a reconsid-  
24 eration of value.

1                   “(ii) EXCEPTION.—The term ‘reason  
2                   to believe’ does not mean that there is a  
3                   final legal determination of discrimination.

4                   “(4) DOCUMENT RETENTION.—The creditor  
5                   shall retain all documentation and written commu-  
6                   nications related to the request for reconsideration  
7                   of value or subsequent appraisal in the loan file dur-  
8                   ing the 7-year period beginning on the date on which  
9                   the consumer submitted the credit application.

10                  “(5) RULE OF CONSTRUCTION.—This sub-  
11                  section is consistent with the exceptions to the ap-  
12                  praiser independence requirements found in sub-  
13                  section (c). Nothing in this subsection shall be con-  
14                  strued to require a creditor to submit a reconsider-  
15                  ation of value to the original appraiser before order-  
16                  ing a subsequent appraisal from a subsequent ap-  
17                  praiser.”.

18                  (2) RULES AND INTERPRETATIVE GUIDE-  
19                  LINES.—Section 129E(g) of the Truth in Lending  
20                  Act (15 U.S.C. 1639e(g)) is amended—

21                         (A) in paragraph (1), by striking “para-  
22                         graph (2), the Board” and inserting “para-  
23                         graphs (2) and (3), the Bureau”; and

24                         (B) by adding at the end the following:

1           “(3) FINAL RULE.—Not later than 1 year after  
2           the date of enactment of this paragraph, the Federal  
3           Housing Finance Agency shall issue a final rule  
4           after notice and comment and issue such guidance  
5           as may be necessary to carry out and enforce sub-  
6           section (j).”.

7           (b) PUBLIC APPRAISAL DATABASE.—

8           (1) COVERED AGENCIES DEFINED.—The term  
9           “covered agencies” means—

10                   (A) the Federal Housing Finance Agency,  
11                   on behalf of the Federal National Mortgage As-  
12                   sociation and the Federal Home Loan Mortgage  
13                   Corporation;

14                   (B) the Department of Housing and  
15                   Urban Development, including the Federal  
16                   Housing Administration;

17                   (C) the Department of Agriculture; and

18                   (D) the Department of Veterans Affairs.

19           (2) FEASIBILITY REPORT.—No later than 240  
20           days after the date of enactment of this Act, the  
21           Comptroller General of the United States shall issue  
22           a public report to Congress assessing the feasibility  
23           of creating a publicly available appraisal database  
24           that consists of a searchable and downloadable ap-  
25           praisal-level public use file that consolidates ap-

1       praisal data held or aggregated by covered agencies,  
2       which shall include—

3               (A) the costs and benefits associated with  
4               establishing and maintaining the public data-  
5               base;

6               (B) the benefits and risks associated with  
7               either the Federal Housing Finance Agency or  
8               the Bureau of Consumer Financial Protection  
9               being responsible for the public database and  
10              whether there is another Federal agency best  
11              suited for implementing and administering such  
12              database;

13              (C) any safety and soundness, antitrust, or  
14              consumer privacy-related risks associated with  
15              making certain appraisal data factors publicly  
16              available, including whether—

17                      (i) there are any existing legal re-  
18                      quirements, including under the Home  
19                      Mortgage Disclosure Act of 1974 (12  
20                      U.S.C. 2801 et seq.) and section 552 of  
21                      title 5, United States Code (commonly  
22                      known as the “Freedom of Information  
23                      Act”), or additional actions Federal agen-  
24                      cies could take to mitigate such risks, such  
25                      as modifying or aggregating data, or elimi-



1 nating personally identifiable information;  
2 and

3 (ii) there are any data factors that, if  
4 made public, may violate conduct, ethics,  
5 or other professional standards as they re-  
6 late to appraisals and appraisal or valu-  
7 ation professionals;

8 (D) the feasibility of consolidating or  
9 matching appraisal data held by covered agen-  
10 cies with corresponding data that is required  
11 and made public under the Home Mortgage  
12 Disclosure Act of 1974 (12 U.S.C. 2801 et  
13 seq.);

14 (E) whether the publication of any ap-  
15 praisal data factors may pose unfair business  
16 advantages within the valuation industry;

17 (F) the feasibility of including all valuation  
18 data held by covered agencies, including data  
19 produced by automated valuation models;

20 (G) the feasibility and benefits of making  
21 the full appraisal dataset, including any modi-  
22 fied fields, available to—

23 (i) Federal agencies, including for  
24 purposes related to enforcement and super-  
25 vision responsibilities;

1                   (ii) relevant State licensing, super-  
2 vision, and enforcement agencies and State  
3 attorneys general;

4                   (iii) approved researchers, including  
5 academics and nonprofit organizations  
6 that, in connection with their mission,  
7 work to ensure the fairness and consist-  
8 ency of home valuations, including apprais-  
9 als; and

10                  (iv) any other entities identified by  
11 the Comptroller General as having a com-  
12 pelling use for disaggregated data;

13                  (H) what appraisal data is already avail-  
14 able in the public domain; and

15                  (I) the feasibility of incorporating legacy  
16 data held by covered agencies during the period  
17 beginning on January 1, 2017, and ending on  
18 the date of enactment of this Act, and whether  
19 there are specific data points not easily consoli-  
20 dated or matched, as described in subparagraph  
21 (D), with more recent data.

22                  (3) PURPOSE.—The database described in para-  
23 graph (2) shall be used to provide the public, the  
24 Federal Government, and State governments with  
25 residential real estate appraisal data to help deter-

1 mine whether financial institutions, appraisal man-  
2 agement companies, appraisers, valuation tech-  
3 nologies, such as automated valuation models, and  
4 other valuation professionals are serving the housing  
5 market in a manner that is efficient and consistent  
6 for all mortgage loan applicants, borrowers, and  
7 communities.

8 (4) CONSULTATION.—As part of the informa-  
9 tion used in the report required under paragraph  
10 (2), the Comptroller General of the United States  
11 shall conduct interviews with—

12 (A) relevant Federal agencies;

13 (B) relevant State licensing, supervision,  
14 and enforcement agencies and State attorneys  
15 general;

16 (C) appraisers and other home valuation  
17 industry professionals;

18 (D) mortgage lending institutions;

19 (E) fair housing and fair lending experts;

20 and

21 (F) any other relevant stakeholders as de-  
22 termined by the Comptroller General.

23 (5) HEARING.—Upon the completion of the re-  
24 port under paragraph (2), the Committee on Bank-  
25 ing, Housing, and Urban Affairs of the Senate and

1 the Committee on Financial Services of the House of  
2 Representatives shall each hold a hearing on the  
3 findings of the report and the feasibility of estab-  
4 lishing a public appraisal-level appraisal database.

5 **TITLE VIII—COORDINATION,**  
6 **STUDIES, AND REPORTING**

7 **SEC. 801. HUD-USDA-VA INTERAGENCY COORDINATION**  
8 **ACT.**

9 (a) MEMORANDUM OF UNDERSTANDING.—The Sec-  
10 retary of Housing and Urban Development, the Secretary  
11 of Agriculture, and the Secretary of Veterans Affairs shall  
12 establish a memorandum of understanding, or other ap-  
13 propriate interagency agreement, to share relevant hous-  
14 ing-related research and market data that facilitates evi-  
15 dence-based policymaking.

16 (b) INTERAGENCY REPORT.—

17 (1) REPORT.—Not later than 180 days after  
18 the date of enactment of this Act, the Secretary of  
19 Housing and Urban Development, the Secretary of  
20 Agriculture, and the Secretary of Veterans Affairs  
21 shall jointly submit to the Committee on Banking,  
22 Housing, and Urban Affairs of the Senate and the  
23 Committee on Finance of the House of Representa-  
24 tives a report containing—

1 (A) a description of opportunities for in-  
2 creased collaboration between the Secretary of  
3 Housing and Urban Development, the Secretary  
4 of Agriculture, and the Secretary of Veterans  
5 Affairs to reduce inefficiencies in housing pro-  
6 grams;

7 (B) a list of Federal laws and regulations  
8 that adversely affect the availability and afford-  
9 ability of new construction of assisted housing  
10 and single family and multifamily residential  
11 housing subject to mortgages insured under  
12 title II of the National Housing Act (12 U.S.C.  
13 1707 et seq.), insured, guaranteed, or made by  
14 the Secretary of Agriculture under title V of the  
15 Housing Act of 1949 (42 U.S.C. 1471 et seq.),  
16 or insured, guaranteed, or made by the Sec-  
17 retary of Veterans Affairs under chapter 37 of  
18 title 38, United States Code; and

19 (C) recommendations for Congress regard-  
20 ing the Federal laws and regulations described  
21 in subparagraph (B).

22 (2) PUBLICATION.—The report required under  
23 paragraph (1) shall, prior to submission under that  
24 subsection, be published in the Federal Register and  
25 open for comment for a period of 30 days.

1 **SEC. 802. STREAMLINING RURAL HOUSING ACT.**

2 (a) IN GENERAL.—Not later than 180 days after the  
3 date of enactment of this Act, the Secretary of Housing  
4 and Urban Development and the Secretary of Agriculture  
5 shall enter into a memorandum of understanding to—

6 (1) evaluate categorical exclusions under the en-  
7 vironmental review process for housing projects  
8 funded by amounts from the Department of the  
9 Housing and Urban Development and the Depart-  
10 ment of Agriculture;

11 (2) develop a process to designate a lead agency  
12 and streamline adoption of Environmental Impact  
13 Statements and Environmental Assessments ap-  
14 proved by the other Department to construct hous-  
15 ing projects funded by both agencies;

16 (3) maintain compliance with environmental  
17 regulations under part 58 of title 24, Code of Fed-  
18 eral Regulations, as in effect on January 1, 2025,  
19 except as required to amend, add, or remove cat-  
20 egorical exclusions identified under sections 58.35 of  
21 title 24, Code of Federal Regulations, through  
22 standard rulemaking procedures; and

23 (4) evaluate the feasibility of a joint physical in-  
24 spection process for housing projects funded by  
25 amounts from the Department of the Housing and

1 Urban Development and the Department of Agri-  
2 culture.

3 (b) ADVISORY WORKING GROUP.—

4 (1) IN GENERAL.—Not later than 180 days  
5 after the date of enactment of this Act, the Sec-  
6 retary of Housing and Urban Development and the  
7 Secretary of Agriculture shall establish an advisory  
8 working group for the purpose of consulting on the  
9 memorandum of understanding entered into under  
10 subsection (a).

11 (2) MEMBERS.—The advisory working group  
12 established under paragraph (1) shall consist of rep-  
13 resentatives of—

14 (A) affordable housing nonprofit organiza-  
15 tions;

16 (B) State housing agencies;

17 (C) nonprofit and for-profit home builders  
18 and housing developers;

19 (D) property management companies;

20 (E) public housing agencies;

21 (F) residents in housing assisted by the  
22 Department of Housing and Urban Develop-  
23 ment or the Department of Agriculture and  
24 representatives of those residents; and

25 (G) housing contract administrators.

1 (c) REPORT.—Not later than 1 year after the date  
 2 of enactment of this Act, the Secretary of Housing and  
 3 Urban Development and the Secretary of Agriculture shall  
 4 submit to the Committee on Banking, Housing, and  
 5 Urban Affairs of the Senate and the Committee on Finan-  
 6 cial Services of the House of Representatives a report that  
 7 includes recommendations for legislative, regulatory, or  
 8 administrative actions—

9 (1) to improve the efficiency and effectiveness  
 10 of housing projects funded by amounts from the De-  
 11 partment of the Housing and Urban Development  
 12 and the Department of Agriculture; and

13 (2) that do not materially, with respect to resi-  
 14 dents of housing projects described in paragraph  
 15 (1)—

16 (A) reduce the safety of those residents;

17 (B) shift long-term costs onto those resi-  
 18 dents; or

19 (C) undermine the environmental stand-  
 20 ards of those residents.

21 **SEC. 803. IMPROVING SELF-SUFFICIENCY OF FAMILIES IN**  
 22 **HUD-SUBSIDIZED HOUSING.**

23 (a) IN GENERAL.—

24 (1) STUDY.—Subject to subsection (b), the Sec-  
 25 retary of Housing and Urban Development shall



1       conduct a study on the implementation of work re-  
2       quirements implemented prior to the date of enact-  
3       ment of this Act by public housing agencies de-  
4       scribed in paragraph (4) participating in the Moving  
5       to Work demonstration authorized under section 204  
6       of the Departments of Veterans Affairs and Housing  
7       and Urban Development, and Independent Agencies  
8       Appropriations Act, 1996 (42 U.S.C. 1437f note).

9               (2) SCOPE.—The study required under para-  
10       graph (1) shall—

11               (A) consider the short-, medium-, and  
12       long-term benefits and challenges of work re-  
13       quirements on public housing agencies described  
14       in paragraph (4) and on program participants  
15       who are subject to such requirements, including  
16       the effects work requirements have on home-  
17       lessness rates, poverty rates, asset building,  
18       earnings growth, job attainment and retention,  
19       and public housing agencies' administrative ca-  
20       pacity; and

21               (B) include quantitative and qualitative  
22       evidence, including interviews with program  
23       participants described in subparagraph (A) and  
24       their respective resident councils.

1           (3) REPORT.—Not later than 180 days after  
2           the date of enactment of this Act, the Secretary  
3           shall report the initial findings of the study required  
4           under paragraph (1) to the Committee on Banking,  
5           Housing, and Urban Affairs of the Senate and the  
6           Committee on Financial Services of the House of  
7           Representatives.

8           (4) PUBLIC HOUSING AGENCIES DESCRIBED.—  
9           The public housing agencies described in this para-  
10          graph are public housing agencies that, as part of an  
11          application to participate in the program under sec-  
12          tion 204 of the Departments of Veterans Affairs and  
13          Housing and Urban Development, and Independent  
14          Agencies Appropriations Act, 1996 (42 U.S.C. 1437f  
15          note), submit a proposal identifying work require-  
16          ments as an innovative proposal.

17          (b) DETERMINATION.—The requirement under sub-  
18          section (a) shall apply if the Secretary of Housing and  
19          Urban Development determines that—

20               (1) there are a sufficient number of public  
21               housing agencies described in subsection (a)(4) such  
22               that the Secretary of Housing and Urban Develop-  
23               ment can rigorously evaluate the impact of the im-  
24               plementation of work requirements described in that  
25               subsection; and

1           (2) the study would not negatively impact low-  
2           income families receiving assistance through a public  
3           housing agency described in subsection (a)(4).

○