

Calendar No. 143

119TH CONGRESS
1ST SESSION**S. 2651**

To increase the supply of affordable housing in America.

IN THE SENATE OF THE UNITED STATES

AUGUST 1, 2025

Mr. SCOTT of South Carolina, from the Committee on Banking, Housing, and Urban Affairs, reported the following original bill; which was read twice and placed on the calendar

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—

1 “(i) consists of a review of the partici-
 2 pating agency’s compliance with all pro-
 3 gram requirements; and

4 “(ii) may take into account the agen-
 5 cy’s aggregate counselor performance
 6 under paragraph (7)(B).

7 “(7) CONSIDERATIONS.—

8 “(A) COVERED MORTGAGE LOAN DE-
 9 FINED.—In this paragraph, the term ‘covered
 10 mortgage loan’ means any loan which is secured
 11 by a first or subordinate lien on residential real
 12 property (including individual units of con-
 13 dominiums and cooperatives) designed prin-
 14 cipally for the occupancy of between 1 and 4
 15 families that is—

16 “(i) insured by the Federal Housing
 17 Administration under title II of the Na-
 18 tional Housing Act (12 U.S.C. 1707 et
 19 seq.); or

20 “(ii) guaranteed under section 184 or
 21 184A of the Housing and Community De-
 22 velopment Act of 1992 (12 U.S.C. 1715z–
 23 13a, 1715z–13b).

24 “(B) COMPARISON.—For each counselor
 25 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

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

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

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

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

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

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

“(3) COST.—If the requirements of sections
202(a)(3) and 205(f) of the National Housing Act
(12 U.S.C. 1708(a)(3), 1711(f)) are met, the fair
market rate cost of counseling for delinquent bor-
rowers described in paragraph (2) with respect to a
covered mortgage loan described in paragraph
(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;

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

(ix) with respect to State zoning frameworks—

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

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

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

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

(d) ABOLISHMENT OF THE REGULATORY BARRIERS CLEARINGHOUSE.—

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

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-

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

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

(4) APPLICATION.—

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

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

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

(iii) how the implementing organiza-
tion plans to execute the coordination of
Federal, State, and local home repair pro-
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.);

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

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

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

(C) PILOT PROGRAM PERIOD REPORTS.—

Not less frequently than twice during the period in which the pilot program established under this subsection operates, the Office of Inspector General of the Department of Housing and Urban Development shall complete an assessment of the implementation of measures to ensure the fair and legitimate use of the pilot program.

(D) SUMMARY TO CONGRESS.—The Sec-

retary shall submit to the Committee on Banking, 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 date on which the notice of funding opportunity
5 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-

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

(4) APPLICATION.—

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

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

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

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

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

(iii) a description of how each eligible purpose described in clause (i) may address a community need or advance an ob-

jective, or an aspect of an objective, included in the comprehensive housing affordability strategy and community development plan of the eligible entity under part 91 of title 24, Code of Federal Regulations, or any successor regulation (commonly referred to as a “consolidated plan”); and

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

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

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

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

(iii) revising minimum lot size requirements, floor area ratio requirements, setback requirements, building heights, and

- 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;

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

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

(5) GRANTS.—

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

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

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

(ii) less than \$250,000.

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

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

ATIONS.—In evaluating and rating the benefits of a project under subparagraph (A), the Secretary—

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

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

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

(4) in subsection (o)—

(A) in paragraph (1)—

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

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

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

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

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

6 (D) the impact on housing supply.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

7 (v) \$179,757.50 per family unit with
8 four 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) \$109,362 per family unit with one
14 bedroom;

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

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

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

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

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

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

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

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

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

9 (v) \$154,440 per family unit with four
10 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) \$108,108 per family unit with one
16 bedroom;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11 **TITLE III—MANUFACTURED** 12 **HOUSING FOR AMERICA**

13 **SEC. 301. HOUSING SUPPLY EXPANSION ACT.**

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

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

23 “(i) MANUFACTURED HOME CERTIFICATIONS.—

24 “(1) IN GENERAL.—

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

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

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

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

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

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

10 “(D) LATE CERTIFICATION.—

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

18 “(ii) RULE OF CONSTRUCTION.—

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

24 “(2) FORM OF STATE CERTIFICATION NOT PRE-
25 SENTED IN A STATE PLAN.—The initial certification

1 required under paragraph (1)(A), if not submitted
2 with a State plan under paragraph (1)(B), shall con-
3 tain, in a form prescribed by the Secretary, an attes-
4 tation by an official that the State has taken the
5 steps necessary to ensure the veracity of the certifi-
6 cation required under paragraph (1)(A), including,
7 as necessary, by—

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

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

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

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

21 “(B) certifies that any new laws or regula-
22 tions enacted or adopted by the State since the
23 date of the previous certification does not
24 change the veracity of the initial certification
25 submitted under paragraph (1)(A).

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

7 “(5) PROHIBITION.—

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

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

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

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

22 “(B) BUILDING, INSTALLATION, AND
23 SALE.—If a State does not submit a certifi-
24 cation under paragraph (1)(A) or (3) by the

1 date on which those certifications are required
2 to be submitted—

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

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

15 (c) OTHER FEDERAL LAWS REGULATING MANUFAC-
16 TURED HOMES.—The Secretary of Housing and Urban
17 Development may coordinate with the heads of other Fed-
18 eral agencies to ensure that Federal agencies treat a man-
19 ufactured home (as defined in Federal laws and regula-
20 tions other than section 603 of the National Manufactured
21 Housing Construction and Safety Standards Act of 1974
22 (42 U.S.C. 5402)) in the same manner as a manufactured
23 home (as defined in section 603 of the National Manufac-
24 tured Housing Construction and Safety Standards Act of
25 1974 (42 U.S.C. 5402), as amended by this Act).

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

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

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

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

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

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

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

18 (a) DEFINITIONS.—In this section:

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

24 (2) MODULAR HOME.—The term “modular
 25 home” means a home that is constructed in a fac-

1 tory in 1 or more modules, each of which meet appli-
 2 cable State and local building codes of the area in
 3 which the home will be located, and that are trans-
 4 ported to the home building site, installed on foun-
 5 dations, and completed.

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

8 (b) FHA CONSTRUCTION FINANCING PROGRAMS.—

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

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

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

20 (B) identify administrative measures au-
 21 thorized under section 525 of the National
 22 Housing Act (12 U.S.C. 1735f–3) to facilitate
 23 program utilization by modular home devel-
 24 opers.

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

10 (4) RULEMAKING.—

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

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

23 (i) issue a final rule regarding an al-
24 ternative draw schedule described in sub-
25 paragraph (A); or

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

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

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

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

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

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

18 **SEC. 303. PROPERTY IMPROVEMENT AND MANUFACTURED**
 19 **HOUSING LOAN MODERNIZATION ACT.**

20 (a) NATIONAL HOUSING ACT AMENDMENTS.—

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

23 (A) in subsection (a), by inserting “con-
 24 struction of additional or accessory dwelling

1 units, as defined by the Secretary,” after “en-
 2 ergy conserving improvements,”; and

3 (B) in subsection (b)—

4 (i) in paragraph (1)—

5 (I) by striking subparagraph (A)

6 and inserting the following:

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

11 (II) in subparagraph (B)—

12 (aa) by striking “\$60,000”

13 and inserting “\$150,000”;

14 (bb) by striking “\$12,000”

15 and inserting “\$37,500”; and

16 (cc) by striking “an apart-
 17 ment house or”;

18 (III) by striking subparagraphs

19 (C) and (D) and inserting the fol-
 20 lowing:

21 “(C)(i) \$106,405 if made for the purpose of fi-
 22 nancing the purchase of a single-section manufac-
 23 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:

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

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

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

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

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

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

(V) by adjusting the margins appropriately;

(iii) in paragraph (3), by striking “exceeds—” and all that follows through the

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

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

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

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

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

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

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) of
24 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

maintaining their capacity for disaster resilience and recovery and developing pre-disaster recovery and hazard mitigation plans, in coordination with the Federal Emergency Management Agency and other Federal agencies.

(2) ESTABLISHMENT OF THE OFFICE OF DISASTER MANAGEMENT AND RESILIENCY.—Section 4 of the Department of Housing and Urban Development Act (42 U.S.C. 3533) is amended by adding at the end the following:

“(i) OFFICE OF DISASTER MANAGEMENT AND RESILIENCY.—

“(1) ESTABLISHMENT.—There is established, in the Office of the Secretary, the Office of Disaster Management and Resiliency.

“(2) DUTIES.—The Office of Disaster Management and Resiliency shall—

“(A) be responsible for oversight and coordination of all departmental disaster preparedness and response responsibilities; and

“(B) coordinate with the Federal Emergency Management Agency, the Small Business Administration, and the Office of Community Planning and Development and other offices of the Department in supporting recovery and 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

substantial amendment under paragraph (1) for public comment prior to resubmission of the plan or substantial amendment to the Secretary; and

“(E) approve, partially approve, or disapprove a plan or substantial amendment under paragraph (1) not later than 60 days after the date on which the plan or substantial amendment is received by the Secretary.

“(4) LOW- AND MODERATE-INCOME OVERALL BENEFIT.—

“(A) USE OF FUNDS.—Not less than 70 percent of a grant made under this section shall be used for activities that benefit persons of low and moderate income unless the Secretary—

“(i) specifically finds that—

“(I) there is compelling need to reduce the percentage for the grant; and

“(II) the housing needs of low- and moderate-income persons have been addressed; and

“(ii) issues a waiver and alternative requirement specific to the grant pursuant to subsection (i) to lower the percentage.

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;

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 AND
16 PENALTIES FOR NONCOMPLIANCE.—Section 223 of the
17 Cranston-Gonzalez National Affordable Housing Act (42
18 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

McKinney-Vento Homeless Assistance Act (42 U.S.C. 11381 et seq.) under the heading “Homeless Assistance Grants” in the Department of Housing and Urban Development Appropriations Act, 2021 (Public Law 116–260) and under section 231 of the Department of Housing and Urban Development Appropriations Act, 2020 (42 U.S.C. 11364a), title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et seq.) shall not apply to applications by or awards for projects to be carried out—

(i) on or off reservation or trust lands for awards made to Indian tribes or tribally designated housing entities; or

(ii) on reservation or trust lands for awards made to eligible entities.

(C) CERTIFICATION.—With respect to funds made available for the Continuum of Care program authorized under subtitle C of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11381 et seq.) under the heading “Homeless Assistance Grants” under section 231 of the Department of Hous-

ing and Urban Development Appropriations
Act, 2020 (42 U.S.C. 11364a)—

(i) applications for projects to be carried out on reservations or trust land shall contain a certification of consistency with an approved Indian housing plan developed under section 102 of the Native American Housing Assistance and Self-Determination Act (25 U.S.C. 4112), notwithstanding section 106 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12706) and section 403 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11361);

(ii) Indian tribes and tribally designated housing entities that are recipients of awards for projects on reservations or trust land shall certify that they are following an approved housing plan developed under section 102 of the Native American Housing Assistance and Self-Determination Act (25 U.S.C. 4112); and

(iii) a collaborative applicant for a Continuum of Care whose geographic area includes only reservation and trust land is

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 homeowner-
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).

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119TH CONGRESS
1ST Session

S. 2651

A BILL

To increase the supply of affordable housing in
America.

AUGUST 1, 2025

Read twice and placed on the calendar