

106TH CONGRESS
1ST SESSION

H. R. 202

To restructure the financing for assisted housing for senior citizens and otherwise provide for the preservation of such housing in the 21st Century, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 1999

Mr. LAZIO (for himself, Mr. LEACH, and Mr. FRELINGHUYSEN) introduced the following bill; which was referred to the Committee on Banking and Financial Services

A BILL

To restructure the financing for assisted housing for senior citizens and otherwise provide for the preservation of such housing in the 21st Century, and for other purposes.

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 “Preserving Affordable
5 Housing for Senior Citizens into the 21st Century Act”.

1 **TITLE I—CONVERSION OF**
2 **FINANCING**

3 **SEC. 101. CONVERSION.**

4 Subject to the provisions of this title and the agree-
5 ment of the owner of a project assisted under section 202
6 of the Housing Act of 1959 (as in effect before the enact-
7 ment of the Cranston-Gonzalez National Affordable Hous-
8 ing Act) and section 8 of the United States Housing Act
9 of 1937, the Secretary may convert the financing of any
10 such housing project to financing under section 202 of the
11 Housing Act of 1959, as amended by section 801 of the
12 Cranston-Gonzalez National Affordable Housing Act (12
13 U.S.C. 1701q).

14 **SEC. 102. DEBT FORGIVENESS.**

15 (a) **IN GENERAL.**—Subject to subsection (b), in con-
16 verting the financing of any housing project pursuant to
17 this title, the Secretary may cancel any indebtedness to
18 the Secretary relating to any remaining principal and in-
19 terest under any loan for the project made under section
20 202 of the Housing Act of 1959 (as in effect before the
21 enactment of the Cranston-Gonzalez National Affordable
22 Housing Act).

23 (b) **BUDGET ACT COMPLIANCE.**—The authority of
24 the Secretary to cancel indebtedness under subsection (a)
25 shall be effective only to the extent or in such amounts

1 as are or have been provided in advance in appropriation
2 Acts.

3 **SEC. 103. CANCELLATION OF SECTION 8 CONTRACTS AND**
4 **USE OF PROJECT FUNDS.**

5 (a) IN GENERAL.—In converting the financing of any
6 housing project pursuant to this title, the Secretary may
7 cancel any contract for rental assistance for the project
8 under section 8 of the United States Housing Act of 1937.

9 (b) USE OF UNEXPENDED AMOUNTS.—Amounts pre-
10 viously obligated for such contract that remain unex-
11 pended shall be used, to the extent the Secretary considers
12 appropriate, in accordance with subsection (d) to improve
13 the market viability, affordability, or service to low-income
14 elderly residents of the project. Any such unexpended
15 amounts in excess of the amount used in accordance with
16 subsection (d) shall be recaptured by the Secretary.

17 (c) USE OF PROJECT FUNDS.—In converting the fi-
18 nancing of any housing project pursuant to this title, the
19 Secretary may authorize the owner of the project to use
20 any residual receipts held for the project that exceed \$500
21 per unit (or such other amount as the Secretary may pre-
22 scribe based on the needs of the project) in accordance
23 with subsection (d) to improve the market viability, afford-
24 ability, or service to low-income elderly residents of the
25 project.

1 (d) ELIGIBLE ACTIVITIES.—Amounts are used in ac-
2 cordance with this subsection only if they are used—

3 (1) to provide rental assistance for the project,
4 under a contract for project rental assistance under
5 section 202(c)(2) of the Housing Act of 1959, which
6 has a duration that is not less than the remainder
7 of the section 8 contract canceled; or

8 (2) to retrofit or renovate the project or provide
9 a service coordinator for residents of the project, to
10 the same extent that such activities are authorized
11 to be provided under section 802 of the Cranston-
12 Gonzalez National Affordable Housing Act to hous-
13 ing assisted under such section.

14 **SEC. 104. THIRD PARTY PROCESSING.**

15 The Secretary may enter into contracts with public
16 or private entities as the Secretary considers appropriate
17 to facilitate efficient processing of elderly housing project
18 conversions under this title.

19 **SEC. 105. WAIVER AUTHORITY.**

20 The Secretary may waive the applicability of any pro-
21 vision of law or regulation necessary to carry out this title.

1 **TITLE II—AUTHORIZATION OF**
2 **APPROPRIATIONS**

3 **SEC. 201. SUPPORTIVE HOUSING FOR ELDERLY PERSONS.**

4 Section 202 of the Housing Act of 1959 (12 U.S.C.
5 1701q) is amended by adding at the end the following new
6 subsection:

7 “(m) AUTHORIZATION OF APPROPRIATIONS.—There
8 is authorized to be appropriated for providing assistance
9 under this section \$700,000,000 for fiscal year 2000 and
10 such sums as may be necessary for each of fiscal years
11 2001 and 2002.”.

12 **SEC. 202. SUPPORTIVE HOUSING FOR PERSONS WITH DIS-**
13 **ABILITIES.**

14 Section 811 of the Cranston-Gonzalez National Af-
15 fordable Housing Act (42 U.S.C. 8013) is amended—

16 (1) by redesignating subsection (m) as sub-
17 section (n); and

18 (2) by inserting after subsection (l) the follow-
19 ing new subsection:

20 “(m) AUTHORIZATION OF APPROPRIATIONS.—There
21 is authorized to be appropriated for providing assistance
22 under this section \$225,000,000 for fiscal year 2000 and
23 such sums as may be necessary for each of fiscal years
24 2001 and 2002.”.

1 **TITLE III—PROGRAM**
2 **AMENDMENTS**

3 **SEC. 301. AUTHORITY TO ACQUIRE STRUCTURES.**

4 Section 202 of the Housing Act of 1959 (12 U.S.C.
5 1701q) is amended—

6 (1) in subsection (b), by striking “from the
7 Resolution Trust Corporation”; and

8 (2) in subsection (h)(2)—

9 (A) in the heading for subparagraph (A),
10 by striking “RTC PROPERTIES” and inserting
11 “ACQUISITION”; and

12 (B) by striking “from the Resolution” and
13 all that follows through “Insurance Act”.

14 **SEC. 302. MIXED FUNDING SOURCES.**

15 (a) **HOUSING FOR ELDERLY PERSONS.**—Section
16 202(h)(6) of the Housing Act of 1959 (12 U.S.C.
17 1701q(h)(6)) is amended by striking “non-Federal
18 sources” and inserting “sources other than this section”.

19 (b) **HOUSING FOR PERSONS WITH DISABILITIES.**—
20 Section 811(h)(5) of the Cranston-Gonzalez National Af-
21 fordable Housing Act (42 U.S.C. 8013(h)(5)) is amended
22 by striking “non-Federal sources” and inserting “sources
23 other than this section”.

1 **SEC. 303. MIXED-INCOME OCCUPANCY.**

2 (a) IN GENERAL.—The first sentence of section
3 202(i)(1) of the Housing Act of 1959 (12 U.S.C.
4 1701q(i)(1)) is amended by striking “and (B)” and insert-
5 ing the following: “(B) notwithstanding clause (A) and in
6 the case only of supportive housing for the elderly for
7 which construction is commenced before the date of the
8 enactment of the Preserving Affordable Housing for Sen-
9 ior Citizens into the 21st Century Act and which has a
10 high vacancy level (as such term is defined by the Sec-
11 retary), consistent with the purpose of improving housing
12 opportunities for very low- and low-income elderly persons;
13 and (C).”.

14 (b) CONFORMING AMENDMENTS.—Section 202 of the
15 Housing Act of 1959 (12 U.S.C. 1701q) is amended—

16 (1) in subsection (c)—

17 (A) in paragraph (1), by inserting after
18 “elderly persons” the following: “, and for low-
19 income elderly persons to the extent such occu-
20 pancy is made available pursuant to subsection
21 (i)(1)(B),”;

22 (B) in the first sentence of paragraph (2),
23 by inserting after “elderly persons” the follow-
24 ing: “or by low-income elderly persons (to the
25 extent such occupancy is made available pursu-
26 ant to subsection (i)(1)(B))”; and

1 (C) in paragraph (3), by inserting after
2 “very low-income person” the following: “or a
3 low-income person (to the extent such occu-
4 pancy is made available pursuant to subsection
5 (i)(1)(B))”;

6 (2) in subsection (d)(1), by inserting after “el-
7 derly persons” the following: “, and low-income el-
8 derly persons to the extent such occupancy is made
9 available pursuant to subsection (i)(1)(B),”; and

10 (3) in subsection (k)—

11 (A) by redesignating paragraphs (3)
12 through (8) as paragraphs (4) through (9), re-
13 spectively; and

14 (B) by inserting after paragraph (2) the
15 following new paragraphs:

16 “(3) LOW-INCOME.—The term ‘low-income’ has
17 the same meaning given the term ‘low-income fami-
18 lies’ under section 3(b)(2) of the United States
19 Housing Act of 1937 (42 U.S.C. 1437a(b)(2)).

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