

[COMMITTEE PRINT]

JUNE 18, 2002

[Showing the text of H.R. 3995, as approved by the Subcommittee on Housing and Community Opportunity]

1 SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Housing Affordability for America Act of 2002”.

4 (b) TABLE OF CONTENTS.—The table of contents for
5 this Act is as follows:

Sec. 1. Short title and table of contents.

TITLE I—HOME INVESTMENT PARTNERSHIPS PROGRAM

- Sec. 101. Affordable housing production and preservation.
- Sec. 102. 3-year inspection cycle for tax credit projects.
- Sec. 103. Repeal of limitations on program assistance as percentage of operating budget.
- Sec. 104. Eligibility of room additions for use for grandparents and grandchildren.
- Sec. 105. Program year for matching contributions.
- Sec. 106. Membership of boards of eligible community housing development organizations.
- Sec. 107. Monitoring of compliance.
- Sec. 108. Downpayment assistance initiative.
- Sec. 109. Homeownership for municipal employees.

TITLE II—FHA MORTGAGE INSURANCE

Subtitle A—Multifamily Housing and Health Care Facilities

- Sec. 201. Indexing of multifamily mortgage limits.
- Sec. 202. High-cost areas.
- Sec. 203. Standards and need for health care facility mortgage insurance.
- Sec. 204. Hospital mortgage insurance loss mitigation demonstration program.

Subtitle B—Single Family Housing

- Sec. 221. Downpayment simplification.
- Sec. 222. Reduced downpayment requirements for loans for teachers and public safety officers.
- Sec. 223. Community partners next door program.
- Sec. 224. Public safety officer home ownership in at-risk areas.
- Sec. 225. Hybrid adjustable rate mortgages.
- Sec. 226. Uniform national loan limit for home equity conversion mortgages.
- Sec. 227. Prohibition of investor and nonprofit owners under rehabilitation loan program.



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- Sec. 228. Rehabilitation loan advances.
- Sec. 229. Nonprofit purchasers under property disposition.
- Sec. 230. Extension of holding period.
- Sec. 231. Mandatory first-time homebuyer counseling for properties in high foreclosure neighborhoods.

TITLE III—SUPPORTIVE HOUSING FOR ELDERLY AND DISABLED FAMILIES

- Sec. 301. Authorization of appropriations for grants for repairs to federally assisted housing for the elderly.
- Sec. 302. Service coordinators for supportive housing for persons with disabilities.
- Sec. 303. Demonstration program for elderly housing for intergenerational families.

TITLE IV—SECTION 8 RENTAL HOUSING ASSISTANCE PROGRAM

- Sec. 401. Housing voucher demonstration.
- Sec. 402. Flexibility to assist hard-to-house families.
- Sec. 403. Clarification on prohibition of re-screening of tenants.
- Sec. 404. PHA administrative fees.
- Sec. 405. Ensuring ability to use enhanced vouchers.
- Sec. 406. Treatment of overhoused assisted families.
- Sec. 407. Extension of manufactured housing demonstration program.
- Sec. 408. Extension of project-based section 8 contract renewals.
- Sec. 409. Inspection of units.
- Sec. 410. Escrow of tenant rent in cases of owner failure to maintain unit.
- Sec. 411. Project-based vouchers modifications.
- Sec. 412. Expanded use of enhanced vouchers.
- Sec. 413. Demonstration program for rental assistance for grandparent-headed or relative-headed families.
- Sec. 414. Eligibility of grandparent-headed and relative-headed families for family unification assistance.

TITLE V—PUBLIC HOUSING

Subtitle A—General Provisions

- Sec. 501. PHA joint ventures.
- Sec. 502. Third-party public housing assessment system.
- Sec. 503. Public housing agency plans for certain small public housing agencies.
- Sec. 504. Affordable assisted living facilities demonstration program.

Subtitle B—HOPE VI Revitalization Program

- Sec. 521. Selection criteria.
- Sec. 522. Authorization of appropriations.
- Sec. 523. Extension of program.

TITLE VI—HOMELESS HOUSING PROGRAMS

- Sec. 601. Interagency Council on the Homeless.
- Sec. 602. Federal Emergency Management Agency food and shelter program.
- Sec. 603. Emergency shelter grants program.
- Sec. 604. Supportive housing program.
- Sec. 605. Section 8 assistance for single room occupancy dwellings.



- Sec. 606. Shelter plus care.
- Sec. 607. Housing for domestic violence and sexual assault victims.
- Sec. 608. National goal of ending homelessness.
- Sec. 609. Amendments to table of contents.

TITLE VII—NATIVE AMERICAN HOUSING

- Sec. 701. Reauthorization of Native American Housing and Self-Determination Act of 1996.
- Sec. 702. Comprehensive planning under Native American housing block grant program.
- Sec. 703. Lands Title Report Commission.

TITLE VIII—HOUSING IMPACT ANALYSIS

- Sec. 801. Applicability.
- Sec. 802. Exception for certain banking rules.
- Sec. 803. Statement of proposed rulemaking.
- Sec. 804. Initial housing impact analysis.
- Sec. 805. Final housing impact analysis.
- Sec. 806. Avoidance of duplicative or unnecessary analyses.
- Sec. 807. Preparation of analyses.
- Sec. 808. Effect on other law.
- Sec. 809. Procedure for waiver or delay of completion.
- Sec. 810. Definitions.
- Sec. 811. Development.
- Sec. 812. Judicial review.

TITLE IX—OTHER HOUSING PROGRAMS

- Sec. 901. GNMA guarantee fee.
- Sec. 902. Housing counseling programs.
- Sec. 903. Assistance for self-help housing providers.
- Sec. 904. Housing opportunities for persons with AIDS.
- Sec. 905. Use of CDBG amounts for construction of tornado-safe shelter for manufactured housing parks.
- Sec. 906. Use of CDBG amounts to administer renewal communities.
- Sec. 907. Subsidy layering review.
- Sec. 908. Study of community renewal program.
- Sec. 909. Correction of inequities in the second round of empowerment zones.
- Sec. 910. Employment opportunities in public and Indian housing agencies.
- Sec. 911. Assistance for nonprofit purchasers preserving affordable housing.
- Sec. 912. Homeownership for municipal employees.
- Sec. 913. Sense of Congress regarding HUD office of disability policy.



1 **TITLE I—HOME INVESTMENT**
2 **PARTNERSHIPS PROGRAM**

3 **SEC. 101. AFFORDABLE HOUSING PRODUCTION AND PRES-**
4 **ERVATION.**

5 (a) **PURPOSE.**—The purpose of this section is to dra-
6 matically increase the production and preservation of
7 mixed income rental housing affordable to extremely low-
8 income and very low-income families.

9 (b) **DEFINITION.**—Section 104 of the Cranston-Gon-
10 zalez National Affordable Housing Act (42 U.S.C. 12704)
11 is amended—

12 (1) by redesignating paragraph (25) as para-
13 graph (26);

14 (2) by redesignating paragraph (24) (as added
15 by Public Law 102–229; 105 Stat. 1709; relating to
16 insular areas) as paragraph (25);

17 (3) by redesignating paragraphs (9) through
18 (21) as paragraphs (10) through (22), respectively;
19 and

20 (4) by inserting after paragraph (8) the fol-
21 lowing new paragraph:

22 “(9) The term “extremely low-income families”
23 means very low-income families whose incomes do
24 not exceed 30 percent of the median income for the
25 area, as determined by the Secretary with adjust-



1 ments for smaller and larger families, except that
2 the Secretary may establish income ceilings higher
3 or lower than 30 percent of the median for the area
4 on the basis of the Secretary's findings that such
5 variations are necessary because of prevailing levels
6 of construction costs or fair market rents, or unusu-
7 ally high or low family incomes.”.

8 (c) ELIGIBLE USES.—Section 212(a) of the Cran-
9 ston-Gonzalez National Affordable Housing Act (42
10 U.S.C. 12742(a)) is amended—

11 (1) in paragraph (2), by adding at the end the
12 following new sentence: “This paragraph shall not
13 apply to any funds made available only for use
14 under paragraph (4).”; and

15 (2) by inserting after paragraph (3) the fol-
16 lowing new paragraph:

17 “(4) PRODUCTION, PRESERVATION, AND REHA-
18 BILITATION.—

19 “(A) IN GENERAL.—Funds made available
20 for use under this paragraph shall be used by
21 the participating jurisdiction only for the pro-
22 duction of new, or the preservation or rehabili-
23 tation of existing, rental housing for extremely
24 low- and very low-income families that qualifies



1 as affordable housing in accordance with section
2 215, subject to the provisions of this paragraph.

3 “(B) FORM OF ASSISTANCE.—Assistance
4 provided by a participating jurisdiction pursu-
5 ant to this paragraph may be provided in the
6 form of grants or loans (including grants and
7 loans made through State and local housing
8 trust funds) and may only be used for acquisi-
9 tion, new construction, reconstruction, or mod-
10 erate or substantial rehabilitation of affordable
11 housing described in subparagraph (A).

12 “(C) INCOME TARGETING.—

13 “(i) VERY LOW-INCOME FAMILIES.—
14 All of the funds made available for use
15 under this paragraph to a participating ju-
16 risdiction shall be used for providing dwell-
17 ing units that may be occupied only by
18 very low-income families.

19 “(ii) EXTREMELY LOW-INCOME FAMI-
20 LIES.—Not less than 50 percent of any
21 funds made available for use under this
22 paragraph to a participating jurisdiction
23 shall be used for providing dwelling units
24 that may be occupied only by extremely
25 low-income families.



1 “(D) FAMILY RENTAL PAYMENT.—Except
2 as provided in subparagraph (G), each family
3 occupying a dwelling unit provided using
4 amounts made available for use under this
5 paragraph shall pay as a contribution toward
6 rent (excluding any Federal or State rental sub-
7 sidy provided on behalf of the family) not more
8 than 40 percent of the family’s adjusted month-
9 ly income.

10 “(E) REUSE.—Any funds made available
11 to a participating jurisdiction only for use
12 under this paragraph shall be placed under
13 binding commitment for use only for the pro-
14 duction of new, or the preservation or rehabili-
15 tation of existing, rental housing in accordance
16 with this paragraph within 18 months after the
17 last day of the month in which such funds are
18 deposited in the jurisdiction’s HOME Invest-
19 ment Trust Fund, except that the Secretary
20 may extend such period by not more than 6
21 months pursuant to a request by the partici-
22 pating jurisdiction. Expiration of such period
23 (including any such extension, if applicable)
24 shall be considered, for purposes of section
25 218(g), to be expiration of the 24-month period



1 referred to in such section, except that any
2 funds made available for use under this para-
3 graph shall be reallocated only for use under
4 this paragraph.”.

5 “(F) QUALIFICATION AS AFFORDABLE
6 HOUSING.—Subparagraphs (B) and (C) of sec-
7 tion 215(a)(1) shall not apply to housing that
8 is assisted with amounts made available under
9 this paragraph.

10 “(G) INCREASES IN TENANT INCOME.—
11 Housing that is assisted with amounts made
12 available under this paragraph shall qualify as
13 affordable housing despite a temporary non-
14 compliance with clause (i) or (ii) of subpara-
15 graph (C) if such noncompliance is caused by
16 increases in the incomes of existing tenants and
17 if actions satisfactory to the Secretary are being
18 taken to ensure that all vacancies are filled in
19 accordance with subparagraph (C) until such
20 noncompliance is corrected. Tenants who no
21 longer qualify as very low-income families shall
22 pay as rent the lesser of the amount payable by
23 the tenant under State or local law or 40 per-
24 cent of the family’s adjusted monthly income,
25 as recertified annually. The preceding sentence



1 shall not apply with respect to funds made
2 available under this Act for units that have
3 been allocated a low-income housing tax credit
4 by a housing credit agency pursuant to section
5 42 of the Internal Revenue Code 1986.”.

6 (d) AUTHORIZATION OF APPROPRIATIONS.—Section
7 205 of the Cranston-Gonzalez National Affordable Hous-
8 ing Act (42 U.S.C. 12724) is amended—

9 (1) by inserting “(a) IN GENERAL.—” before
10 “There are authorized”; and

11 (2) by adding at the end the following new sub-
12 section:

13 “(b) PRODUCTION, PRESERVATION, AND REHABILI-
14 TATION OF AFFORDABLE HOUSING.—There are author-
15 ized to be appropriated for use only for production, preser-
16 vation, and rehabilitation of affordable rental housing
17 under section 212(a)(4) such sums as may be necessary
18 for each of fiscal years 2003 and 2004.”.

19 **SEC. 102. 3-YEAR INSPECTION CYCLE FOR TAX CREDIT**
20 **PROJECTS.**

21 Subsection (b) of section 226 of the Cranston-Gon-
22 zalez National Affordable Housing Act (42 U.S.C. 12756)
23 is amended to read as follows:

24 “(b) PERIODIC MONITORING.—



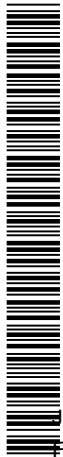
1 “(1) REQUIREMENT.—Each participating juris-
2 diction shall review the activities of owners of afford-
3 able housing for rental that is assisted under this
4 title to assess compliance with the requirements of
5 this title. Such review shall be conducted in compli-
6 ance with the provisions of paragraph (2) (relating
7 to frequency) and shall include on-site inspection to
8 determine compliance with housing codes and other
9 applicable regulations.

10 “(2) FREQUENCY.—The review required by
11 paragraph (1) shall be conducted not less frequently
12 than—

13 “(A) except as provided in subparagraph
14 (B), annually; and

15 “(B) in the case of affordable housing for
16 rental that has been allocated a low-income
17 housing tax credit by a housing credit agency
18 pursuant to section 42 of the Internal Revenue
19 Code 1986 and is not considered (under such
20 regulations as the Secretary shall prescribe) to
21 be high-risk housing, once every 3 years, or
22 more often as may be required under the regu-
23 lations issued pursuant to such section 42.

24 “(3) INCLUSION IN PERFORMANCE REPORT.—
25 The results of each review of a participating juris-



1 diction shall be included in the performance report
2 of the jurisdiction that is submitted under section
3 108(a) for the year in which the review is conducted
4 and shall be made available to the public.”.

5 **SEC. 103. REPEAL OF LIMITATIONS ON PROGRAM ASSIST-**
6 **ANCE AS PERCENTAGE OF OPERATING BUDG-**
7 **ET.**

8 (a) HOUSING EDUCATION AND ORGANIZATIONAL
9 SUPPORT.—Section 233(d) of the Cranston-Gonzalez Na-
10 tional Affordable Housing Act (42 U.S.C. 12773(d)) is
11 amended—

12 (1) by striking “may not—” and all that fol-
13 lows through “(1)” and inserting “may not”; and

14 (2) by striking “; or” at the end of paragraph
15 (1) and all that follows through the end of para-
16 graph (2) and inserting a period.

17 (b) OTHER SUPPORT FOR STATE AND LOCAL HOUS-
18 ING STRATEGIES.—The first sentence of section 243(b) of
19 the Cranston-Gonzalez National Affordable Housing Act
20 (42 U.S.C. 12783(b)) is amended by striking “and shall
21 provide not more than 20 percent of the operating budget
22 of the contracting organization in any one year”.



1 **SEC. 104. ELIGIBILITY OF ROOM ADDITIONS FOR USE FOR**
2 **GRANDPARENTS AND GRANDCHILDREN.**

3 Section 104(8) of the Cranston-Gonzalez National
4 Affordable Housing Act (42 U.S.C. 12704(8)) is amended
5 by adding at the end the following new sentence: “Such
6 term also includes an additional room in, or a cottage
7 housing opportunity unit installed adjacent to, an existing
8 1- to 4-family dwelling, that is necessary to permit the
9 habitation, with the low-income family occupying the
10 dwelling, of an elderly person who is a relative of the fam-
11 ily and to avoid placement of such relative in an institu-
12 tionalized setting, foster care, or other out-of-home set-
13 ting.”.

14 **SEC. 105. PROGRAM YEAR FOR MATCHING CONTRIBU-**
15 **TIONS.**

16 Section 220 of the Cranston-Gonzalez National Af-
17 fordable Housing Act (42 U.S.C. 12750) is amended—

18 (1) in subsection (a)—

19 (A) by striking “a fiscal year” and insert-
20 ing “a program year of the jurisdiction”; and

21 (B) by striking “such fiscal year” and in-
22 serting “such program year”; and

23 (2) in subsection (d)—

24 (A) in paragraph (1), by striking “fiscal
25 year” and inserting “program year of the juris-
26 diction”;



1 (B) in paragraph (3), by striking “fiscal
2 year” each place such term appears and insert-
3 ing “program year”; and

4 (C) in paragraph (5), by striking “fiscal
5 year” and inserting “program year of the juris-
6 diction”.

7 **SEC. 106. MEMBERSHIP OF BOARDS OF ELIGIBLE COMMU-
8 NITY HOUSING DEVELOPMENT ORGANIZA-
9 TIONS.**

10 Section 104(6) of the Cranston-Gonzalez National
11 Affordable Housing Act (42 U.S.C. 12704(6)) is amended
12 by adding at the end the following: “In establishing re-
13 quirements for an organization to be considered a commu-
14 nity housing development organization for purposes of this
15 Act, the Secretary may not prohibit, limit, or restrict
16 membership on the board by public employees who are not
17 elected or appointed or who do not exercise policy-making
18 or policy-determining functions.”.

19 **SEC. 107. MONITORING OF COMPLIANCE.**

20 (a) **AUTHORITY AND AGREEMENTS.**—Section 226 of
21 the Cranston-Gonzalez National Affordable Housing Act
22 (42 U.S.C. 12756) is amended—

23 (1) in the second sentence of subsection (a)—

24 (A) by striking “and”; and



1 (B) by inserting before the period at the
2 end the following: “, and (3) such fees as may
3 be established by the participating jurisdiction
4 pursuant to subsection (c)”;

5 (2) by redesignating subsection (c) as sub-
6 section (d); and

7 (3) by inserting after subsection (b) the fol-
8 lowing new subsection:

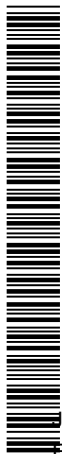
9 “(c) MONITORING FEES.—A participating jurisdic-
10 tion may establish and charge reasonable fees to afford-
11 able housing projects assisted under this title for costs of
12 monitoring compliance with the provisions of this title.”.

13 (b) USE OF INVESTMENT.—Section 212 of the Cran-
14 ston-Gonzalez National Affordable Housing Act (42
15 U.S.C. 12742(c)), as amended by the preceding provisions
16 of this Act, is further amended by adding at the end the
17 following new subsection:

18 “(h) MONITORING FEES.—Monitoring fees under
19 section 226(c) for an affordable housing project may be
20 paid for from amounts made available under this subtitle
21 to the project, in accordance with an agreement pursuant
22 to section 226(a).”.

23 **SEC. 108. DOWNPAYMENT ASSISTANCE INITIATIVE.**

24 (a) DOWNPAYMENT ASSISTANCE INITIATIVE.—Sub-
25 title E of title II of the Cranston-Gonzalez National Af-



1 affordable Housing Act (42 U.S.C. 12821) is amended to
2 read as follows:

3 **“Subtitle E—Other Assistance**

4 **“SEC. 271. DOWNPAYMENT ASSISTANCE INITIATIVE.**

5 “(a) GRANT AUTHORITY.—The Secretary may make
6 grants to participating jurisdictions to assist low-income
7 families to achieve homeownership, in accordance with this
8 section.

9 “(b) ELIGIBLE ACTIVITIES.—Amounts made avail-
10 able under this section may be used only for downpayment
11 assistance toward the purchase of single family housing
12 by low-income families who are first-time homebuyers. For
13 purposes of this title, the term ‘downpayment assistance’
14 means assistance to help a family acquire a principal resi-
15 dence.

16 “(c) HOUSING STRATEGY.—To be eligible to receive
17 a grant under this section for a fiscal year, a participating
18 jurisdiction shall include in its comprehensive housing af-
19 fordability strategy under section 105 for such year a de-
20 scription of the use of the grant amounts.

21 “(d) FORMULA ALLOCATION.—For each fiscal year,
22 the Secretary shall allocate any amounts made available
23 for assistance under this section for the fiscal year in ac-
24 cordance with a formula, which shall be established by the
25 Secretary, that considers a participating jurisdiction’s



1 need for and prior commitment to assistance to home-
2 buyers. The formula may include minimum and maximum
3 allocation amounts.

4 “(e) REALLOCATION.—If any amounts allocated to a
5 participating jurisdiction under this section become avail-
6 able for reallocation, the amounts shall be reallocated to
7 other participating jurisdictions in accordance with the
8 formula established pursuant to subsection (e), except that
9 if a local participating jurisdiction failed to receive
10 amounts allocated under this section and is located in a
11 State that is a participating jurisdiction, the funds shall
12 be reallocated to the State.

13 “(f) APPLICABILITY OF OTHER PROVISIONS.—

14 “(1) IN GENERAL.—Except as otherwise pro-
15 vided in this section, grants under this section shall
16 not be subject to the provisions of this title.

17 “(2) APPLICABLE PROVISIONS.—In addition to
18 the requirements of this section, grants under this
19 section shall be subject to the provisions of title I,
20 sections 215(b), 218, 219, 221, 223, 224, and
21 226(a) of subtitle A of this title, and subtitle F of
22 this title.

23 “(3) REFERENCES.— In applying the require-
24 ments of subtitle A referred to in paragraph (2)—



1 “(A) any references to funds under subtitle
2 A shall be considered to refer to amounts made
3 available for assistance under this section; and

4 “(B) any references to funds allocated or
5 reallocated under section 217 or 217(d) shall be
6 considered to refer to amounts allocated or re-
7 allocated under subsection (d) or (e) of this sec-
8 tion, respectively.

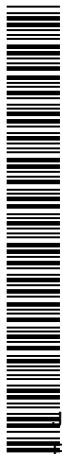
9 “(g) ADMINISTRATIVE COSTS.—Notwithstanding sec-
10 tion 212(c), a participating jurisdiction may use funds
11 under subtitle A for administrative and planning costs of
12 the jurisdiction in carrying out this section, and the limita-
13 tion in section 212(c) shall be based on the total amount
14 of funds available under subtitle A and this section.

15 “(h) FUNDING.—

16 “(1) AUTHORIZATION OF APPROPRIATIONS.—
17 There are authorized to be appropriated such sums
18 as may be necessary to carry out this section for
19 each of fiscal years 2003 and 2004.

20 “(2) RESTRICTION.—Amounts made available
21 to carry out title II of this Act or to carry out any
22 other subtitle of such title shall not be available for
23 carrying out this subtitle.”.

24 (b) RELOCATION ASSISTANCE AND DOWNPAYMENT
25 ASSISTANCE.—Subtitle F of title II of the Cranston-Gon-



1 zalez National Affordable Housing Act is amended by in-
2 serting after section 290 (42 U.S.C. 12840) the following
3 new section:

4 **“SEC. 291. RELOCATION ASSISTANCE AND DOWNPAYMENT**
5 **ASSISTANCE.**

6 “The Uniform Relocation Assistance and Real Prop-
7 erty Acquisition Policies Act of 1970 shall not apply to
8 downpayment assistance under this title.”.

9 **SEC. 109. HOMEOWNERSHIP FOR MUNICIPAL EMPLOYEES.**

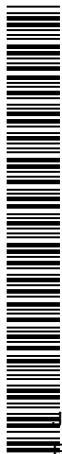
10 (a) **ELIGIBLE ACTIVITIES.**—Paragraph (2) of section
11 215(b) of the Cranston-Gonzalez National Affordable
12 Housing Act (42 U.S.C. 12745(b)(2)) is amended to read
13 as follows:

14 “(2) is the principal residence of an owner
15 who—

16 “(A) is a member of a family that qualifies
17 as a low-income family—

18 “(i) in the case of a contract to pur-
19 chase existing housing, at the time of pur-
20 chase;

21 “(ii) in the case of a lease-purchase
22 agreement for existing housing or for hous-
23 ing to be constructed, at the time the
24 agreement is signed; or



1 “(iii) in the case of a contract to pur-
2 chase housing to be constructed, at the
3 time the contract is signed; or

4 “(B)(i) is a uniformed employee (which
5 shall include policemen, firemen, and sanitation
6 and other maintenance workers) or a teacher
7 who is an employee, of the participating jurisdic-
8 tion (or an agency or school district serving
9 such jurisdiction) that is investing funds made
10 available under this subtitle to support home-
11 ownership of the residence; and

12 “(ii) is a member of a family whose in-
13 come, at the time referred to in clause (i), (ii),
14 or (iii) of subparagraph (A), as appropriate,
15 and as determined by the Secretary with ad-
16 justments for smaller and larger families, does
17 not exceed 115 percent of the median income of
18 the area, except that, with respect only to such
19 areas that the Secretary determines have high
20 housing costs, taking into consideration median
21 house prices and median family incomes for the
22 area, such income limitation shall be 150 per-
23 cent of the median income of the area, as deter-
24 mined by the Secretary with adjustments for
25 smaller and larger families;”.



1 (b) INCOME TARGETING.—Section 214(2) of the
2 Cranston-Gonzalez National Affordable Housing Act (42
3 U.S.C. 12744(2)) is amended by inserting before the semi-
4 colon the following: “or families described in section
5 215(b)(2)(B)”.

6 (c) ELIGIBLE INVESTMENTS.—Section 212(b) of the
7 Cranston-Gonzalez National Affordable Housing Act (42
8 U.S.C. 12742(b)) is amended by adding at the end the
9 following new sentence: “Notwithstanding the preceding
10 sentence, in the case of homeownership assistance for resi-
11 dences of owners described in section 215(b)(2)(B), funds
12 made available under this subtitle may only be invested
13 (A) to provide amounts for downpayments on mortgages,
14 (B) to pay reasonable closing costs normally associated
15 with the purchase of a residence, (C) to obtain pre- or
16 post-purchase counseling relating to the financial and
17 other obligations of homeownership, or (D) to subsidize
18 mortgage interest rates.”.



1 **TITLE II—FHA MORTGAGE**
2 **INSURANCE**
3 **Subtitle A—Multifamily Housing**
4 **and Health Care Facilities**

5 **SEC. 201. INDEXING OF MULTIFAMILY MORTGAGE LIMITS.**

6 (a) SECTION 207 LIMITS.—Section 207(c)(3) of the
7 National Housing Act (12 U.S.C. 1713(c)(3)) is
8 amended—

9 (1) by striking “\$11,250” and inserting
10 “\$17,460”;

11 (2) by inserting before “; and except that” the
12 following: “; except that the Secretary shall adjust
13 each such dollar amount limitation set forth in this
14 paragraph (as such limitation may have been pre-
15 viously adjusted pursuant to this provision) effective
16 January 1 of each year (beginning in 2003) in ac-
17 cordance with the percentage increase, if any, during
18 the 12-month period ending with the preceding Oc-
19 tober, in the Annual Construction Cost Index of the
20 Bureau of the Census of the Department of Com-
21 merce”;

22 (3) by inserting after “foregoing dollar amount
23 limitations contained in this paragraph” the fol-
24 lowing: “(as such limitations may have been pre-
25 viously adjusted pursuant to this paragraph)”.



1 (b) SECTION 213 LIMITS.—Section 213(b)(2) of the
2 National Housing Act (12 U.S.C. 1715e(b)(2)) is
3 amended—

4 (1) by striking “\$38,025”, “\$42,120”,
5 “\$50,310”, “\$62,010”, and “\$70,200”, and insert-
6 ing “\$41,207”, “\$47,511”, “\$57,300”, “\$73,343”,
7 and “\$81,708”, respectively;

8 (2) by striking “\$49,140”, “\$60,255”,
9 “\$75,465”, and “\$85,328”, and inserting
10 “\$49,710”, “\$60,446”, “\$78,197”, and “\$85,836”,
11 respectively;

12 (3) by inserting after the colon at the end of
13 the first proviso the following: “*Provided further,*
14 That the Secretary shall adjust each such dollar
15 amount limitation set forth in this paragraph (as
16 such limitation may have been previously adjusted
17 pursuant to this provision) effective January 1 of
18 each year (beginning in 2003) in accordance with
19 the percentage increase, if any, during the 12-month
20 period ending with the preceding October, in the An-
21 nual Construction Cost Index of the Bureau of the
22 Census of the Department of Commerce”; and

23 (4) by inserting after “foregoing dollar amount
24 limitations contained in this paragraph” the fol-



1 lowing: “(as such limitations may have been pre-
2 viously adjusted pursuant to this paragraph)”.

3 (c) SECTION 220 LIMITS.—Section 220(d)(3)(B)(iii)
4 of the National Housing Act (12 U.S.C.
5 1715k(d)(3)(B)(iii)) is amended—

6 (1) by inserting after “foregoing dollar amount
7 limitations contained in this clause”, the first place
8 such phrase appears, the following: “(as such limita-
9 tions may have been previously adjusted pursuant to
10 this clause)”.

11 (2) by inserting after “*Provided*,” the following:
12 “That the Secretary shall adjust each such dollar
13 amount limitation set forth in this clause (as such
14 limitation may have been previously adjusted pursu-
15 ant to this provision) effective January 1 of each
16 year (beginning in 2003) in accordance with the per-
17 centage increase, if any, during the 12-month period
18 ending with the preceding October, in the Annual
19 Construction Cost Index of the Bureau of the Cen-
20 sus of the Department of Commerce: *Provided fur-*
21 *ther*,”; and

22 (3) by striking “(as determined after the appli-
23 cation of the preceding proviso)” and inserting “(as
24 such limitations may have been previously adjusted
25 pursuant to the preceding proviso and as determined



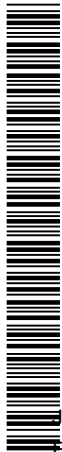
1 after application of any percentage increase author-
2 ized in this clause relating to units with two, three,
3 or four or more bedrooms”).

4 (d) SECTION 221(d)(3) LIMITS.—Section
5 221(d)(3)(ii) of the National Housing Act (12 U.S.C.
6 1715l(d)(3)(ii)) is amended—

7 (1) by inserting before “; and except that” the
8 following: “; except that the Secretary shall adjust
9 each such dollar amount limitation set forth in this
10 clause (as such limitation may have been previously
11 adjusted pursuant to this provision) effective Janu-
12 ary 1 of each year (beginning in 2003) in accord-
13 ance with the percentage increase, if any, during the
14 12-month period ending with the preceding October,
15 in the Annual Construction Cost Index of the Bu-
16 reau of the Census of the Department of Com-
17 merce”; and

18 (2) by inserting after “foregoing dollar amount
19 limitations contained in this clause” the following:
20 “(as such limitations may have been previously ad-
21 justed pursuant to this clause)”.

22 (e) SECTION 221(d)(4) LIMITS.—Section
23 221(d)(4)(ii) of the National Housing Act (12 U.S.C.
24 1715l(d)(4)(ii)) is amended—

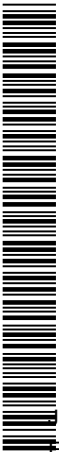


1 (1) by inserting before “; and except that” the
2 following: “; except that the Secretary shall adjust
3 each such dollar amount limitation set forth in this
4 clause (as such limitation may have been previously
5 adjusted pursuant to this provision) effective Janu-
6 ary 1 of each year (beginning in 2003) in accord-
7 ance with the percentage increase, if any, during the
8 12-month period ending with the preceding October,
9 in the Annual Construction Cost Index of the Bu-
10 reau of the Census of the Department of Com-
11 merce”; and

12 (2) by inserting after “foregoing dollar amount
13 limitations contained in this clause” the following:
14 “(as such limitations may have been previously ad-
15 justed pursuant to this clause)”.

16 (f) SECTION 231 LIMITS.—Section 231(c)(2) of the
17 National Housing Act (12 U.S.C. 1715v(c)(2)) is
18 amended—

19 (1) by inserting before “; and except that” the
20 following: “; except that the Secretary shall adjust
21 each such dollar amount limitation set forth in this
22 paragraph (as such limitation may have been pre-
23 viously adjusted pursuant to this provision) effective
24 January 1 of each year (beginning in 2003) in ac-
25 cordance with the percentage increase, if any, during



1 the 12-month period ending with the preceding Oc-
2 tober, in the Annual Construction Cost Index of the
3 Bureau of the Census of the Department of Com-
4 merce”; and

5 (2) by inserting after “foregoing dollar amount
6 limitations contained in this paragraph” the fol-
7 lowing: “(as such limitations may have been pre-
8 viously adjusted pursuant to this paragraph)”.

9 (g) SECTION 234 LIMITS.—Section 234(e)(3) of the
10 National Housing Act (12 U.S.C. 1715y(e)(3)) is
11 amended—

12 (1) by inserting before “; except that” the sec-
13 ond place such phrase appears the following: “; ex-
14 cept that the Secretary shall adjust each such dollar
15 amount limitation set forth in this paragraph (as
16 such limitation may have been previously adjusted
17 pursuant to this provision) effective January 1 of
18 each year (beginning in 2003) in accordance with
19 the percentage increase, if any, during the 12-month
20 period ending with the preceding October, in the An-
21 nual Construction Cost Index of the Bureau of the
22 Census of the Department of Commerce”;

23 (2) by inserting after “each of the foregoing
24 dollar amounts” the following: “(as such amounts



1 may have been previously adjusted pursuant to this
2 paragraph”); and

3 (3) by inserting after “foregoing dollar amount
4 limitations contained in this paragraph” the fol-
5 lowing: “(as such limitations may have been pre-
6 viously adjusted pursuant to this paragraph and in-
7 creased pursuant to the preceding clause)”.

8 **SEC. 202. HIGH-COST AREAS.**

9 In the National Housing Act, sections 207(c)(3) (12
10 U.S.C. 1713(c)(3)), 213(b)(2) (12 U.S.C. 1715e(b)(2)),
11 220(d)(3)(B)(iii) (12 U.S.C. 1715k(d)(3)(B)(iii)),
12 221(d)(3)(ii) (12 U.S.C. 1715l(d)(3)(ii)), 221(d)(4)(ii)
13 (12 U.S.C. 1715l(d)(4)(ii)), 231(c)(2) (12 U.S.C.
14 1715v(c)(2)), and 234(e)(3) (12 U.S.C. 1715y(e)(3)) are
15 each amended—

16 (1) by striking “140 percent” and inserting
17 “170 percent”; and

18 (2) by striking “110 percent” and inserting
19 “140 percent”.

20 **SEC. 203. STANDARDS AND NEED FOR HEALTH CARE FACIL-
21 ITY MORTGAGE INSURANCE.**

22 (a) HOSPITALS.—Paragraph (4) of section 242(d) of
23 the National Housing Act (12 U.S.C. 1715z-7) is amend-
24 ed to read as follows:



1 “(4)(A) The Secretary shall require satisfactory
2 evidence that the hospital will be located in a State
3 or political subdivision of a State with reasonable
4 minimum standards of licensure and methods of op-
5 eration for hospitals and satisfactory assurance that
6 such standards will be applied and enforced with re-
7 spect to the hospital.

8 “(B) The Secretary shall establish the means
9 for determining need and feasibility for the hospital.
10 If the State has an official procedure for deter-
11 mining need for hospitals, the Secretary shall also
12 require that such procedure be followed before the
13 application for insurance is submitted, and the appli-
14 cation shall document that need has also been estab-
15 lished under that procedure.”.

16 (b) NURSING HOMES, INTERMEDIATE CARE FACILI-
17 TIES, AND COMBINED FACILITIES.—Section 232(d)(4) of
18 the National Housing Act (12 U.S.C. 1715w(d)(4)) is
19 amended by striking the paragraph designation and all
20 that follows through the end of subparagraph (A) and in-
21 serting the following:

22 “(4)(A)(i) The Secretary shall require satisfac-
23 tory evidence that a nursing home, intermediate care
24 facility, or combined nursing home and intermediate
25 care facility will be located in a State or political



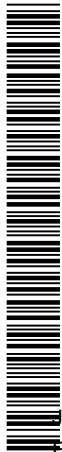
1 subdivision of a State with reasonable minimum
2 standards of licensure and methods of operation for
3 such homes, facilities, or combined homes and facili-
4 ties. The Secretary shall also require satisfactory as-
5 surance that such standards will be applied and en-
6 forced with respect to the home, facility, or com-
7 bined home or facility.

8 “(ii) The Secretary shall establish the means
9 for determining need and feasibility for the home,
10 facility, or combined home and facility. If the State
11 has an official procedure for determining need for
12 such homes, facilities, or combined homes and facili-
13 ties, the Secretary shall also require that such proce-
14 dure be followed before the application for insurance
15 is submitted, and the application shall document
16 that need has also been established under that pro-
17 cedure.”.

18 **SEC. 204. HOSPITAL MORTGAGE INSURANCE LOSS MITIGA-**
19 **TION DEMONSTRATION PROGRAM.**

20 (a) IN GENERAL.—Section 242 of the National
21 Housing Act (12 U.S.C. 1715z-7) is amended by adding
22 at the end the following new subsection:

23 “(i) LOSS MITIGATION DEMONSTRATION PRO-
24 GRAM.—



1 “(1) IN GENERAL.—The Secretary may carry
2 out a program to demonstrate the effectiveness of
3 taking loss mitigation actions for hospitals with
4 mortgages that are insured under this section to re-
5 duce the risk of, prevent, or cure defaults of finan-
6 cially troubled hospitals, to reduce claim or holding
7 costs of loans that are assigned to the Secretary, or
8 to maximize the recovery on loan assets. The dem-
9 onstration program may be carried out only with re-
10 spect to not more than 3 such hospitals.

11 “(2) LOSS MITIGATION ACTIONS.—Loss mitiga-
12 tion actions taken under the demonstration program
13 under this subsection may include the following ac-
14 tions:

15 “(A) Partial payment of a claim under the
16 contract for mortgage insurance under this sec-
17 tion.

18 “(B) Temporary provision of operating as-
19 sistance funds, including debt service.

20 “(C) Provision of financial assistance for
21 maintenance, repair, alterations, or the cost of
22 other capital improvements, including for con-
23 version of excess capacity of hospitals to facili-
24 ties providing health care and supportive hous-
25 ing for elderly persons and families, including



1 assisted living facilities, nursing homes, and
2 supportive housing for the elderly.

3 “(3) REQUIREMENTS FOR ASSISTANCE.—A hospital
4 may be provided financial assistance under the demonstra-
5 tion program only if—

6 “(A) the hospital has secured binding com-
7 mitments for matching funds of not less than
8 10 percent of the cost of such assistance; and

9 “(B) the hospital has met the requirements
10 of any applicable State certificate of need or
11 other licensing requirement.

12 “(4) LIMITATIONS ON ASSISTANCE.—Any pay-
13 ments or financial assistance or relief under this
14 subsection shall be made at the sole discretion of the
15 Secretary and on terms acceptable to the Secretary
16 except that—

17 “(A) the total amount of payments and fi-
18 nancial assistance and relief shall not exceed 30
19 percent of the outstanding project indebtedness
20 insured by the Secretary; and

21 “(B) the mortgagor shall agree to repay
22 such total amount to the Secretary upon terms
23 and conditions acceptable to the Secretary.

24 “(5) FINAL DECISION.—A decision by the Sec-
25 retary to exercise or forgo exercising any authority



1 under this subsection shall not be subject to judicial
2 review.

3 “(6) APPLICATIONS.—The Secretary shall pro-
4 vide for hospitals to submit applications for partici-
5 pation in the demonstration program under this sub-
6 section, which shall include information sufficient to
7 determine compliance with the requirements under
8 paragraph (3).

9 “(7) TERMINATION.—The demonstration pro-
10 gram under this subsection shall terminate on De-
11 cember 31, 2004.”

12 (b) REPORT.—Not later than September 30, 2005,
13 the Secretary shall submit a report to the Congress ana-
14 lyzing the demonstration program under the amendment
15 made by subsection (a) and the extent to which, if any,
16 the assistance provided under such program reduced the
17 net cost to the General Insurance Fund as calculated on
18 a net present value basis.

19 **Subtitle B—Single Family Housing**

20 **SEC. 221. DOWNPAYMENT SIMPLIFICATION.**

21 (a) IN GENERAL.—Section 203(b) of the National
22 Housing Act (12 U.S.C. 1709(b)) is amended—

23 (1) in paragraph (2)—



1 (A) in subparagraph (A), by realigning the
2 matter that precedes clause (ii) an additional 2
3 ems from the left margin;

4 (B) in the matter that follows subpara-
5 graph (B)(iii)—

6 (i) by striking the seventh sentence of
7 such matter (relating to the maximum
8 amount of a principal obligation of a mort-
9 gage) and all that follows through the end
10 of the penultimate undesignated para-
11 graph; and

12 (ii) by striking the second, third, and
13 fifth sentences of such matter; and

14 (C) by striking subparagraph (B);

15 (2) by transferring and inserting subparagraph
16 (A) of paragraph (10) after subparagraph (A) of
17 paragraph (2) and amending such transferred
18 subparagraph—

19 (A) by striking all of the matter that pre-
20 ceedes clause (i) and inserting the following:

21 “(B) not to exceed an amount equal to the
22 sum of—”; and

23 (B) in clause (ii)(IV), by striking “an area
24 of the” and inserting “a”;



1 (3) by transferring and inserting the last undes-
2 ignated paragraph of paragraph (2) (relating to dis-
3 closure notice) after subsection (e), realigning such
4 transferred paragraph so as to be flush with the left
5 margin, and amending such transferred paragraph
6 by inserting “(f) DISCLOSURE OF OTHER MORT-
7 GAGE PRODUCTS.—” before “In conjunction”;

8 (4) by transferring and inserting the sentence
9 that constitutes the text of paragraph (10)(B) after
10 the period at the end of the first sentence that fol-
11 lows subparagraph (B) (relating to the definition of
12 “area”) and amending such transferred sentence by
13 inserting “(2)” after “this paragraph”; and

14 (5) by striking paragraph (10) (as amended by
15 the preceding provisions this section).

16 (b) CONFORMING AMENDMENTS.—Section 245 of the
17 National Housing Act (12 U.S.C. 1715z-10) is
18 amended—

19 (1) in subsection (a), by striking “, or if the
20 mortgagor” and all that follows through “case of
21 veterans”; and

22 (2) in subsection (b)(3), by striking “, or, if
23 the” and all that follows through “for veterans.”.



1 **SEC. 222. REDUCED DOWNPAYMENT REQUIREMENTS FOR**
 2 **LOANS FOR TEACHERS AND PUBLIC SAFETY**
 3 **OFFICERS.**

4 (a) IN GENERAL.—Section 203(b) of the National
 5 Housing Act (12 U.S.C. 1709(b)) is amended by adding
 6 at the end the following new paragraph:

7 “(11) REDUCED DOWNPAYMENT REQUIRE-
 8 MENTS FOR TEACHERS AND PUBLIC SAFETY OFFI-
 9 CERS.—

10 “(A) IN GENERAL.—Notwithstanding para-
 11 graph (2), in the case of a mortgage described
 12 in subparagraph (B)—

13 “(i) the mortgage shall involve a prin-
 14 cipal obligation in an amount that does not
 15 exceed the sum of 99 percent of the ap-
 16 praised value of the property and the total
 17 amount of initial service charges, ap-
 18 praisal, inspection, and other fees (as the
 19 Secretary shall approve) paid in connection
 20 with the mortgage;

21 “(ii) no other provision of this sub-
 22 section limiting the principal obligation of
 23 the mortgage based upon a percentage of
 24 the appraised value of the property subject
 25 to the mortgage shall apply; and



1 “(iii) the matter in paragraph (9) that
2 precedes the first proviso shall not apply
3 and the mortgage shall be executed by a
4 mortgagor who shall have paid on account
5 of the property at least 1 percent of the
6 cost of acquisition (as determined by the
7 Secretary) in cash or its equivalent.

8 “(B) MORTGAGES COVERED.—A mortgage
9 described in this subparagraph is a mortgage—

10 “(i) under which the mortgagor is an
11 individual who—

12 “(I) is (aa) a teacher, or (bb) a
13 public safety officer; and

14 “(II) has not, during the 12-
15 month period ending upon the insur-
16 ance of the mortgage, had any present
17 ownership interest in a principal resi-
18 dence located in the jurisdiction de-
19 scribed in clause (ii); and

20 “(ii) made for a property that is lo-
21 cated within the jurisdiction of—

22 “(I) in the case of a mortgage of
23 a mortgagor described in clause
24 (i)(I)(aa), the local educational agency
25 for the school in which the mortgagor

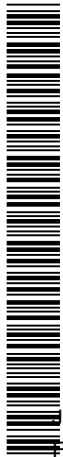


1 is employed (or, in the case of a mort-
2 gator employed in a private school,
3 the local educational agency having
4 jurisdiction for the area in which the
5 private school is located); or

6 “(II) in the case of a mortgage of
7 a mortgagor described in clause
8 (i)(I)(bb), the jurisdiction served by
9 the public law enforcement agency,
10 firefighting agency, or rescue or am-
11 bulance agency that employs the
12 mortgagor.

13 “(C) PROGRAM INTEGRITY.—Notwith-
14 standing any other provision of this paragraph
15 and section 203(c)(3), the Secretary may sus-
16 pend the applicability of this paragraph and
17 such section for such period as the Secretary
18 considers appropriate if the Secretary deter-
19 mines such suspension is necessary because of
20 fraud or other issues regarding program integ-
21 rity.”.

22 (b) DEFERRAL AND REDUCTION OF UP-FRONT PRE-
23 MIUM.—Section 203(c) of the National Housing Act (12
24 U.S.C. 1709(c)(2)) is amended—



1 (1) in paragraph (2), in the matter preceding
2 subparagraph (A), by striking “Notwithstanding”
3 and inserting “Except as provided in paragraph (3)
4 and notwithstanding”; and

5 (2) by adding at the end the following new
6 paragraph:

7 “(3) DEFERRAL AND REDUCTION OF UP-FRONT PRE-
8 MIUM.—In the case of any mortgage described in sub-
9 section (b)(11)(B):

10 “(A) Paragraph (2)(A) of this subsection (relat-
11 ing to collection of up-front premium payments)
12 shall not apply.

13 “(B) If, at any time during the 5-year period
14 beginning on the date of the insurance of the mort-
15 gage, the mortgagor ceases to be a teacher or public
16 safety officer (as such terms are defined in section
17 201) or pays the principal obligation of the mort-
18 gage in full, the Secretary shall at such time collect
19 a single premium payment in an amount equal to
20 the amount of the single premium payment that, but
21 for this paragraph, would have been required under
22 paragraph (2)(A) of this subsection with respect to
23 the mortgage, as reduced by 20 percent of such
24 amount for each successive 12-month period com-



1 pleted during such 5-year period before such ces-
2 sation or prepayment occurs.”.

3 (c) DEFINITIONS.—Section 201 of the National
4 Housing Act (12 U.S.C. 1707) is amended—

5 (1) by redesignating subsections (a) through (f)
6 as paragraphs (1) through (6), respectively;

7 (2) by realigning each paragraph 2 ems from
8 the left margin; and

9 (3) by adding at the end the following new
10 paragraphs:

11 “(7) The term ‘public safety officer’ has the
12 meaning given such term in section 1204 of the Om-
13 nibus Crime Control and Safe Streets Act of 1968
14 (42 U.S.C. 3796b), except that such term shall not
15 include any officer serving a public agency of the
16 Federal Government.

17 “(8) The term ‘teacher’ means an individual
18 who is employed on a part- or full-time basis as a
19 teacher, teacher assistant, or administrator in a pub-
20 lic or private school that provides elementary or sec-
21 ondary education, as determined under State law,
22 except that elementary education shall include pre-
23 Kindergarten education, and except that secondary
24 education shall not include any education beyond
25 grade 12.



1 “(9) The term ‘local educational agency’ has
2 the meaning given such term in section 14101 of the
3 Elementary and Secondary Education Act of 1965
4 (20 U.S.C. 8801)).”.

5 (d) REGULATIONS.—Not later than 60 days after the
6 date of the enactment of this Act, the Secretary shall issue
7 regulations to implement the amendments made by this
8 section.

9 **SEC. 223. COMMUNITY PARTNERS NEXT DOOR PROGRAM.**

10 (a) DISCOUNT AND DOWNPAYMENT ASSISTANCE FOR
11 TEACHERS AND PUBLIC SAFETY OFFICERS.—Section
12 204(h) of the National Housing Act (12 U.S.C. 1710(h))
13 is amended—

14 (1) by redesignating paragraphs (7) through
15 (10) as paragraphs (8) through (11), respectively;
16 and

17 (2) by inserting after paragraph (6) the fol-
18 lowing new paragraph:

19 “(7) 50 PERCENT DISCOUNT FOR TEACHERS
20 AND PUBLIC SAFETY OFFICERS PURCHASING PROP-
21 ERTIES THAT ARE ELIGIBLE ASSETS.—

22 “(A) DISCOUNT.—A property that is an el-
23 igible asset and is sold, during fiscal years 2002
24 through 2006, to a teacher or public safety offi-
25 cer for use in accordance with subparagraph



1 (B) shall be sold at a price that is equal to 50
2 percent of the appraised value of the eligible
3 property (as determined in accordance with
4 paragraph (6)(B)). In the case of a property el-
5 ible for both a discount under this paragraph
6 and a discount under paragraph (6), the dis-
7 count under paragraph (6) shall not apply.

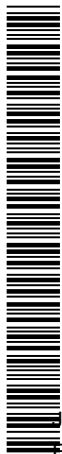
8 “(B) PRIMARY RESIDENCE.—An eligible
9 property sold pursuant to a discount under this
10 paragraph shall be used, for not less than the
11 3-year period beginning upon such sale, as the
12 primary residence of a teacher or public safety
13 officer.

14 “(C) SALE METHODS.—The Secretary may
15 sell an eligible property pursuant to a discount
16 under this paragraph—

17 “(i) to a unit of general local govern-
18 ment or nonprofit organization (pursuant
19 to paragraph (4) or otherwise), for resale
20 or transfer to a teacher or public safety of-
21 ficer; or

22 “(ii) directly to a purchaser who is a
23 teacher or public safety officer.

24 “(D) RESALE.—In the case of any pur-
25 chase by a unit of general local government or



1 nonprofit organization of an eligible property
2 sold at a discounted price under this paragraph,
3 the sale agreement under paragraph (8) shall—

4 “(i) require the purchasing unit of
5 general local government or nonprofit or-
6 ganization to provide the full benefit of the
7 discount to the teacher or public safety of-
8 ficer obtaining the property; and

9 “(ii) in the case of a purchase involv-
10 ing multiple eligible assets, any of which is
11 such an eligible property, designate the
12 specific eligible property or properties to be
13 subject to the requirements of subpara-
14 graph (B).

15 “(E) MORTGAGE DOWNPAYMENT ASSIST-
16 ANCE.—If a teacher or public safety officer pur-
17 chases an eligible property pursuant to a dis-
18 counted sale price under this paragraph and fi-
19 nances such purchase through a mortgage in-
20 sured under this title, notwithstanding any pro-
21 vision of section 203 the downpayment on such
22 mortgage shall be \$100.

23 “(F) PREVENTION OF UNDUE PROFIT.—
24 The Secretary shall issue regulations to prevent
25 undue profit from the resale of eligible prop-



1 erties in violation of the requirement under sub-
2 paragraph (B).

3 “(G) DEFINITIONS.—For the purposes of
4 this paragraph, the following definitions shall
5 apply:

6 “(i) The term ‘eligible property’
7 means an eligible asset described in para-
8 graph (2)(A) of this subsection.

9 “(ii) The terms ‘teacher’ and ‘public
10 safety officer’ have the meanings given
11 such terms in section 201.

12 “(H) PROGRAM INTEGRITY.—Notwith-
13 standing any other provision of this paragraph,
14 the Secretary may suspend the applicability of
15 this paragraph for such period as the Secretary
16 considers appropriate if the Secretary deter-
17 mines such suspension is necessary because of
18 fraud or other issues regarding program integ-
19 rity.”.

20 (b) CONFORMING AMENDMENTS.—Section 204(h) of
21 the National Housing Act (12 U.S.C. 1710(h)) is
22 amended—

23 (1) in paragraph (4)(B)(ii), by striking “para-
24 graph (7)” and inserting “paragraph (8)”;



1 (2) in paragraph (5)(B)(i), by striking “para-
2 graph (7)” and inserting “paragraph (8)”; and

3 (3) in paragraph (6)(A), by striking “paragraph
4 (8)” and inserting “paragraph (9)”.

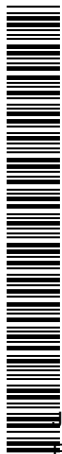
5 (c) REGULATIONS.—Not later than 60 days after the
6 date of the enactment of this Act, the Secretary shall issue
7 regulations to implement the amendments made by this
8 section.

9 **SEC. 224. PUBLIC SAFETY OFFICER HOME OWNERSHIP IN**
10 **AT-RISK AREAS.**

11 (a) PROGRAM AUTHORITY.—The Secretary of Hous-
12 ing and Urban Development shall carry out a pilot pro-
13 gram in accordance with this section to assist Federal,
14 State, and local public safety officers purchasing homes
15 in locally-designated at-risk areas.

16 (b) ELIGIBILITY.—To be eligible for assistance under
17 this section, a public safety officer shall agree, in writing,
18 to use the residence purchased with such assistance as the
19 primary residence of the public safety officer for not less
20 than 3 years after the date of purchase.

21 (c) MORTGAGE ASSISTANCE.—If a public safety offi-
22 cer purchases a home in locally-designated at-risk area
23 and finances such purchase through a mortgage insured
24 under title II of the National Housing Act (12 U.S.C.
25 1707 et seq.), notwithstanding any provision of section



1 203 or any other provision of the National Housing Act,
2 the following shall apply:

3 (1) DOWNPAYMENT.—

4 (A) IN GENERAL.—There shall be no
5 downpayment required if the purchase price of
6 the property is not more than the reasonable
7 value of the property, as determined by the Sec-
8 retary.

9 (B) PURCHASE PRICE EXCEEDS VALUE.—

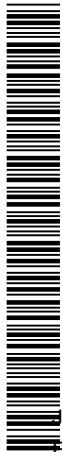
10 If the purchase price of the property exceeds
11 the reasonable value of the property, as deter-
12 mined by the Secretary, the required downpay-
13 ment shall be the difference between such rea-
14 sonable value and the purchase price.

15 (2) CLOSING COSTS.—The closing costs and
16 origination fee for such mortgage may be included in
17 the loan amount.

18 (3) INSURANCE PREMIUM PAYMENT.—There
19 shall be one insurance premium payment due on the
20 mortgage. Such insurance premium payment—

21 (A) shall be equal to 1 percent of the loan
22 amount;

23 (B) shall be due and considered earned by
24 the Secretary at the time of the loan closing;
25 and



1 (C) may be included in the loan amount
2 and paid from the loan proceeds.

3 (d) LOCAL DESIGNATION OF AT-RISK AREAS.—

4 (1) CRITERIA.—Any unit of local government
5 may request that the Secretary designate any area
6 within the jurisdiction of that unit of local govern-
7 ment as a locally-designated at-risk area for pur-
8 poses of this section if the proposed area—

9 (A) has a crime rate that is significantly
10 higher than the crime rate of the non-des-
11 igned area that is within the jurisdiction of
12 the unit of local government; and

13 (B) has a population that is not more than
14 25 percent of the total population of area with-
15 in the jurisdiction of the unit of local govern-
16 ment.

17 (2) DEADLINE FOR CONSIDERATION OF RE-
18 QUEST.—Not later than 60 days after receiving a re-
19 quest under paragraph (1), the Secretary shall ap-
20 prove or disapprove the request.

21 (e) PUBLIC SAFETY OFFICER.—For purposes of this
22 section, the term “public safety officer” has the meaning
23 given such term in section 201 of the National Housing
24 Act (12 U.S.C. 1707) (as amended by section 222(c) of



1 this Act), except that such term includes any officer serv-
2 ing a public agency of the Federal Government.

3 (f) PROGRAM INTEGRITY.—Notwithstanding any
4 other provision of this section, the Secretary may suspend
5 the applicability of this section for such period as the Sec-
6 retary considers appropriate if the Secretary determines
7 such suspension is necessary because of fraud or other
8 issues regarding program integrity.

9 (g) REGULATIONS.—Not later than 60 days after the
10 date of the enactment of this Act, the Secretary shall issue
11 regulations to implement the provisions of this section.

12 (h) SUNSET.—The Secretary shall not approve any
13 application for assistance under this section that is re-
14 ceived by the Secretary after the expiration of the 3-year
15 period beginning on the date that the Secretary first
16 makes available assistance under the pilot program under
17 this section.

18 **SEC. 225. HYBRID ADJUSTABLE RATE MORTGAGES.**

19 Section 251(d)(1)(C) of the National Housing Act
20 (12 U.S.C. 1715z-16(d)(1)(C)) is amended by striking
21 “five or fewer years” and inserting “three or fewer years”.

22 **SEC. 226. UNIFORM NATIONAL LOAN LIMIT FOR HOME EQ-
23 UITY CONVERSION MORTGAGES.**

24 Section 255(g) of the National Housing Act (12
25 U.S.C. 1715z-20(g)) is amended by striking “1-family



1 residences in the area in which the dwelling subject to the
2 mortgage under this section is located” and inserting “a
3 1-family residence”.

4 **SEC. 227. PROHIBITION OF INVESTOR AND NONPROFIT**
5 **OWNERS UNDER REHABILITATION LOAN**
6 **PROGRAM.**

7 Section 203(g)(2) of the National Housing Act (12
8 U.S.C. 1709(g)(2)) is amended—

9 (1) by striking subparagraph (E);

10 (2) in subparagraph (D), by inserting “or”
11 after the semicolon; and

12 (3) by redesignating subparagraph (F) as sub-
13 paragraph (E).

14 **SEC. 228. REHABILITATION LOAN ADVANCES.**

15 Section 203(k)(3) of the National Housing Act (12
16 U.S.C. 1709(k)(3)) is amended—

17 (1) by redesignating subparagraphs (C) and
18 (D) as subparagraphs (D) and (E), respectively; and

19 (2) by inserting after subparagraph (B) the fol-
20 lowing new paragraph:

21 “(C) involve a loan agreement containing such
22 terms and conditions as the Secretary shall provide,
23 including terms and conditions that provide that the
24 mortgagee shall be responsible for—



1 “(i) choosing an inspector or consultant
2 who shall—

3 “(I) meet the standards as the Sec-
4 retary shall establish; and

5 “(II) be an agent of the mortgagee;
6 and

7 “(ii) approving advances under the loan;”.

8 **SEC. 229. NONPROFIT PURCHASERS UNDER PROPERTY DIS-**
9 **POSITION.**

10 (a) IN GENERAL.—Section 204(g) of the National
11 Housing Act (12 U.S.C. 1710(g)) is amended—

12 (1) by inserting “(1)” after “(g)”; and

13 (2) by adding at the end the following new paragraph:

14 “(2) The Secretary shall require, as a condition of
15 eligibility of any nonprofit organization for participation
16 in any program of the Secretary for disposition of 1- to
17 4-family properties acquired by the Secretary pursuant to
18 this Act, the Secretary shall require that such
19 organization—

20 “(A) has nonprofit status as demonstrated by
21 approval under section 501(c)(3) of the Internal
22 Revenue Code of 1986 (26 U.S.C. 501(c)(3)) or
23 demonstrates that an application for such status is
24 currently pending approval; and



1 “(B) provide the Secretary with a copy of the
2 application for such status;

3 “(C) certify, on an annual basis, that the orga-
4 nization has been apprised of the applicable rules
5 and guidelines of the Department of Housing and
6 Urban Development and understands such rules and
7 guidelines; and

8 “(D) comply with such other requirements as
9 the Secretary may establish.”.

10 (b) ASSETS IN REVITALIZATION AREAS.—Section
11 204(h)(8)(D) (12 U.S.C. 1710(h)(8)(D)) is amended—

12 (1) by striking clause (ii) and inserting the fol-
13 lowing new clause:

14 “(ii)(I) has nonprofit status as dem-
15 onstrated by approval under section
16 501(c)(3) of the Internal Revenue Code of
17 1986 (26 U.S.C. 501(c)(3)) or dem-
18 onstrates that an application for such sta-
19 tus is currently pending approval; and

20 “(II) provides the Secretary with a
21 copy of the application for such status;”;

22 (2) in clause (iii), by striking the period at the
23 end and inserting “; and”; and

24 (3) by adding at the end the following new
25 clause:



1 “(iv) certifies, on an annual basis,
2 that the organization has been apprised of
3 the applicable rules and guidelines of the
4 Department of Housing and Urban Devel-
5 opment and understands such rules and
6 guidelines.”.

7 **SEC. 230. EXTENSION OF HOLDING PERIOD.**

8 (a) IN GENERAL.—Section 912(1) of the Housing
9 and Urban Development Act of 1970 (12 U.S.C. 1709–
10 2(1)) is amended by striking “one year” and inserting “18
11 months”.

12 (b) APPLICABILITY.—The amendment made by sub-
13 section (a) shall apply only to defaults described in section
14 912(1) of the Housing and Urban Development Act of
15 1970 that occur after the date of the enactment of this
16 Act.

17 **SEC. 231. MANDATORY FIRST-TIME HOMEBUYER COUN-**
18 **SELING FOR PROPERTIES IN HIGH FORE-**
19 **CLOSURE NEIGHBORHOODS.**

20 Section 203(b)(2) of the National Housing Act (12
21 U.S.C. 1709(b)(2)) is amended by inserting before the last
22 undesignated paragraph the following new undesignated
23 paragraph:

24 “Notwithstanding any other provision of this
25 paragraph, the Secretary may not insure, or enter



1 into a commitment to insure, a mortgage under this
2 section that is executed by a first-time homebuyer
3 for a property that is located in any area described
4 in the succeeding sentence unless the mortgagor has
5 completed a program of counseling with respect to
6 the responsibilities and financial management in-
7 volved in homeownership that is approved by the
8 Secretary. A property is located in an area described
9 in this sentence if the property is located in a neigh-
10 borhood, as determined by the Secretary for pur-
11 poses of this paragraph, for which the rate of fore-
12 closure on residences subject to mortgages insured
13 under this section exceeds the lesser of (i) 150 per-
14 cent of the national foreclosure rate for such resi-
15 dences, and (ii) the foreclosure rate for such resi-
16 dences located within the area served by the regional
17 office of Department of Housing and Urban Devel-
18 opment office in whose area the property is lo-
19 cated.”.



1 **TITLE III—SUPPORTIVE HOUS-**
2 **ING FOR ELDERLY AND DIS-**
3 **ABLED FAMILIES**

4 **SEC. 301. AUTHORIZATION OF APPROPRIATIONS FOR**
5 **GRANTS FOR REPAIRS TO FEDERALLY AS-**
6 **SISTED HOUSING FOR THE ELDERLY.**

7 Section 202b of the Housing Act of 1959 (12 U.S.C.
8 1701q-2) is amended by striking subsection (h) and in-
9 serting the following new subsection:

10 “(h) AUTHORIZATION OF APPROPRIATIONS FOR CAP-
11 ITAL REPAIR GRANTS.—For grants for activities under
12 subsection (a)(1) there is authorized to be appropriated
13 such sums as may be necessary for each of fiscal years
14 2003 and 2004.”.

15 **SEC. 302. SERVICE COORDINATORS FOR SUPPORTIVE**
16 **HOUSING FOR PERSONS WITH DISABILITIES.**

17 Section 683(2) of the Housing and Community De-
18 velopment Act of 1992 (42 U.S.C. 13641(2)) is
19 amended—

20 (1) in subparagraph (F), by striking “and” at
21 the end;

22 (2) in subparagraph (G), by striking the period
23 at the end and inserting “; and”; and

24 (3) by adding at the end the following new sub-
25 paragraph:



1 “(H) “housing that is assisted under sec-
2 tion 811 of the Cranston-Gonzalez National Af-
3 fordable Housing Act (42 U.S.C. 8013).”.

4 **SEC. 303. DEMONSTRATION PROGRAM FOR ELDERLY HOUS-**
5 **ING FOR INTERGENERATIONAL FAMILIES.**

6 (a) IN GENERAL.—The Secretary of Housing and
7 Urban Development shall carry out a demonstration pro-
8 gram to determine the feasibility of providing
9 intergenerational dwelling units for intergenerational fam-
10 ilies in connection with the supportive housing program
11 under section 202 of the Housing Act of 1959 (12 U.S.C.
12 1701q).

13 (b) INTERGENERATIONAL DWELLING UNITS.—
14 Under the demonstration program, the Secretary shall
15 provide assistance under this section to private nonprofit
16 organizations (as such term is defined in section 202(k)
17 of the Housing Act of 1959 (12 U.S.C. 1701q(k)) for use
18 only for expanding the supply of intergenerational dwelling
19 units, which units shall be provided—

20 (1) by designating and retrofitting, for use as
21 intergenerational dwelling units, existing dwelling
22 units that are located within a project assisted under
23 such section 202;



1 (2) through development of buildings or
2 projects comprised solely of intergenerational dwell-
3 ing units; or

4 (3) through the development of an annex or ad-
5 dition to such an existing project assisted under
6 such section 202, which contains intergenerational
7 dwelling units, including through the development of
8 elder cottage housing opportunity units that are
9 small, freestanding, barrier-free, energy-efficient, re-
10 movable dwelling units located adjacent to a larger
11 project or dwelling.

12 (c) PROGRAM TERMS.—Assistance provided pursuant
13 to this section shall be subject to the provisions of section
14 202 of the Housing Act of 1959 (12 U.S.C. 1701q), except
15 that—

16 (1) notwithstanding subsection (d)(1) of such
17 section or any provision of such section restricting
18 occupancy to elderly persons, any intergenerational
19 dwelling unit assisted under the demonstration pro-
20 gram may be occupied as provided in subsection
21 (e)(2) of this section;

22 (2) subsections (e) and (f) of such section 202
23 (relating to applications and selection criteria) shall
24 not apply;



1 (3) in addition to the requirements under sub-
2 section (g) of such section 202, the Secretary of
3 Housing and Urban Development shall ensure that
4 occupants of dwelling units assisted under the dem-
5 onstration program are provided a range of services
6 tailored to the needs of elderly persons, children, and
7 intergenerational families and shall coordinate with
8 the heads of other Federal agencies as may be ap-
9 propriate to ensure the provision of such services;
10 and

11 (4) the Secretary may waive or alter any other
12 provision of such section 202 necessary to provide
13 for assistance under the demonstration program
14 under this section.

15 (d) SELECTION.—The Secretary of Housing and
16 Urban Development shall provide for private nonprofit or-
17 ganizations to submit applications for assistance under
18 this section and, during the period consisting of fiscal
19 years 2003 through 2006 shall, to the extent amounts are
20 available pursuant to subsection (g), select not less than
21 2 and not more than 4 projects assisted under section 202
22 of the Housing Act of 1959 for such assistance based on
23 the ability of the applicant to develop and operate
24 intergenerational dwelling units and national geographical
25 diversity among projects funded.



1 (e) DEFINITIONS.—For purposes of this section:

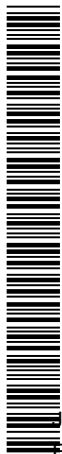
2 (1) ELDERLY PERSON.—The term “elderly per-
3 son” has the meaning given such term in section
4 202(k) of the Housing Act of 1959 (12 U.S.C.
5 1701q(k)).

6 (2) INTERGENERATIONAL DWELLING UNIT.—
7 The term “intergenerational dwelling unit” means a
8 qualified dwelling unit (as such term is defined in
9 section 8(x)(4) of the United States Housing Act of
10 1937 (42 U.S.C. 1437f(x)(4)) that is reserved for
11 occupancy only by an intergenerational family.

12 (3) INTERGENERATIONAL FAMILY.—The term
13 “intergenerational family” means a covered family
14 (as such term is defined in section 8(x)(4) of the
15 United States Housing Act of 1937 (42 U.S.C.
16 1437f(x)(4)) that has a head of household who is an
17 elderly person.

18 (f) REPORT.—Not later than 36 months after the
19 date of the enactment of this Act, the Secretary of Hous-
20 ing and Urban Development shall submit a report to the
21 Congress describing the demonstration program under
22 this section and analyzing the effectiveness of the pro-
23 gram.

24 (g) FUNDING.—Of any amounts made available for
25 assistance under section 202 of the Housing Act of 1959



1 (12 U.S.C. 1701q) for each of fiscal years 2003 through
2 2006, the Secretary of Housing and Urban Development
3 shall reserve amounts in such fiscal years as may be nec-
4 essary to fund the demonstration projects selected under
5 subsection (d). Such amounts shall be available for use
6 only for providing assistance under this section.

7 **TITLE IV—SECTION 8 RENTAL**
8 **HOUSING ASSISTANCE PRO-**
9 **GRAM**

10 **SEC. 401. HOUSING VOUCHER DEMONSTRATION.**

11 (a) IN GENERAL.—For fiscal years 2003 and 2004,
12 there is authorized to be appropriated to provide incre-
13 mental assistance for project-based vouchers under section
14 8 of the United States Housing Act of 1937 (42 U.S.C.
15 1437f) the amount necessary to provide a total of 5,000
16 such incremental vouchers. Vouchers provided pursuant to
17 this section shall be used exclusively for extremely low-
18 income families in connection with dwelling units in newly
19 constructed or substantially rehabilitated housing.

20 (b) EXTREMELY LOW-INCOME FAMILIES.—For pur-
21 poses of this section, the term “extremely low-income fam-
22 ilies” means families (as such term is defined in section
23 3(b) of the United States Housing Act of 1937 (42 U.S.C.
24 1437a(b))) whose incomes do not exceed the higher of—



1 (1) 30 percent of the area median income, as
2 determined by the Secretary with adjustments for
3 smaller and larger families and for unusually high or
4 low family incomes; or

5 (2) 30 percent of the national non-metropolitan
6 median income.

7 **SEC. 402. FLEXIBILITY TO ASSIST HARD-TO-HOUSE FAMI-**
8 **LIES.**

9 (a) IN GENERAL.—Section 8(o) of the United States
10 Housing Act of 1937 (42 U.S.C. 1437f(o)) is amended
11 by adding at the end the following new paragraph:

12 “(19) FLEXIBILITY TO ASSIST HARD-TO-HOUSE
13 FAMILIES.—In any program year, a public housing
14 agency that is not designated as troubled pursuant
15 to the section 8 management assessment program,
16 or under such other program as may be used by the
17 Secretary to evaluate performance of public housing
18 agencies in administering rental assistance under
19 this section, may use up to 2 percent of any
20 amounts allocated to the agency for such year for
21 purposes that directly support the agency’s housing
22 choice voucher program, including housing coun-
23 seling, downpayment assistance under subsection
24 (y), rental security deposits for families receiving
25 voucher assistance, and other activities that directly



1 assist eligible families in gaining and maintaining
2 occupancy in suitable dwelling units.”.

3 (b) APPLICABILITY.—The amendment made by sub-
4 section (a) shall apply only with respect to amounts appro-
5 priated for fiscal year 2003 or any fiscal year thereafter.

6 **SEC. 403. CLARIFICATION ON PROHIBITION OF RE-SCREEN-**
7 **ING OF TENANTS.**

8 Section 8(t)(1) of the United States Housing Act of
9 1937 (42 U.S.C. 1437f(t)(1)) is amended—

10 (1) in subparagraph (C), by striking “and” at
11 the end;

12 (2) in subparagraph (D), by striking the period
13 and inserting “; and”; and

14 (3) by adding at the end the following new sub-
15 paragraph:

16 “(E) a family’s eligibility to receive such
17 assistance shall be determined pursuant to the
18 provisions of law authorizing or requiring the
19 provision of enhanced voucher assistance pursu-
20 ant to the eligibility event that affected such
21 family and a family may not be required, as a
22 condition of receiving such assistance, to qualify
23 under the selection standards of a public hous-
24 ing agency for voucher assistance under this
25 section.”.



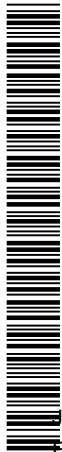
1 **SEC. 404. PHA ADMINISTRATIVE FEES.**

2 Section 8(q) of the United States Housing Act of
3 1937 (42 U.S.C. 1437f(q)) is amended—

4 (1) by redesignating paragraph (4) as para-
5 graph (5); and

6 (2) by inserting after paragraph (3) the fol-
7 lowing new paragraph:

8 “(4) PERFORMANCE INCENTIVE.—For fiscal
9 year 2003 and fiscal years thereafter, the Secretary
10 may pay an additional fee to any public housing
11 agency that succeeds in achieving high or substan-
12 tially improved performance on specified program re-
13 quirements or program goals, as established under
14 the management assessment program for the rental
15 assistance program under this section, or any suc-
16 cessor assessment program for such assistance, or
17 by regulation issued by the Secretary after notice
18 and opportunity for public comment pursuant to the
19 provisions of section 553 of title 5, United States
20 Code (notwithstanding subsections (a)(2), (b)(B),
21 and (d)(3) of such section). The Secretary shall es-
22 tablish limitations on the total amount of any such
23 additional fees paid to agencies for a fiscal year and
24 on the amount of any such fee paid to any single
25 agency for a fiscal year.”.



1 **SEC. 405. ENSURING ABILITY TO USE ENHANCED VOUCH-**
2 **ERS.**

3 Section 8(t) of the United States Housing Act of
4 1937 (42 U.S.C. 1437f(t)) is amended—

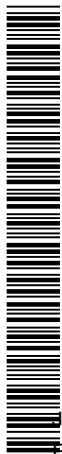
5 (1) by redesignating paragraph (4) as para-
6 graph (5); and

7 (2) by inserting after paragraph (3) the fol-
8 lowing new paragraph:

9 “(4) **RIGHT TO USE.**—The owner of a multi-
10 family housing project for which an eligibility event
11 (as such term is defined in paragraph (2)) has oc-
12 curred may not refuse—

13 “(A) to lease, to a family who is residing
14 in project upon the occurrence of such eligibility
15 event and who is provided enhanced voucher as-
16 sistance under this subsection (including such
17 assistance provided under the authorities speci-
18 fied in paragraph (3)(B)), any available dwell-
19 ing unit in the project a proximate cause of
20 which is the status of such family as a recipient
21 of such assistance; or

22 “(B) to enter into a housing assistance
23 payments contract for such a unit.”.



1 **SEC. 406. TREATMENT OF OVERHOUSED ASSISTED FAMI-**
2 **LIES.**

3 Paragraph (6) of section 8(o) of the United States
4 Housing Act of 1937 (42 U.S.C. 1437f(o)(6)) is amended
5 by adding at the end the following new subparagraph:

6 “(D) RESIDENCY IN INAPPROPRIATELY
7 SIZED UNITS.—

8 “(i) IN GENERAL.—If a public hous-
9 ing agency determines that a family as-
10 sisted under this subsection is residing in
11 a dwelling unit that, because of a reduction
12 in family size after such assistance was ini-
13 tially provided for such family, has more
14 bedrooms than is appropriate for a family
15 of such size, the agency may not terminate
16 the assistance for the family or require the
17 family to move to another dwelling unit
18 unless—

19 “(I) the agency provides the fam-
20 ily with a dwelling unit that is located
21 in the same building or project as the
22 inappropriately sized dwelling unit
23 and is available for occupancy; or

24 “(II) in the case of a family re-
25 siding in a dwelling unit in a building
26 or project that does not contain any

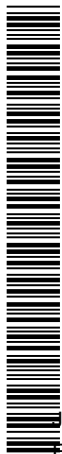


1 available dwelling unit having a num-
2 ber of bedrooms that is appropriate
3 for size of such family, the agency
4 provides the family with a dwelling
5 unit that is located within the same
6 neighborhood as the building con-
7 taining the inappropriately sized
8 dwelling unit.

9 “(ii) DETERMINATION OF NEIGHBOR-
10 HOOD.—For purposes of clause (i)(II), the
11 term ‘neighborhood’ means the immediate
12 geographic area in which a building is lo-
13 cated, which—

14 “(I) is characterized by all loca-
15 tions within the area having a similar
16 proximity to major roadways, mass
17 transit facilities, and other means of
18 transportation, schools, child care fa-
19 cilities, workplace centers, and grocery
20 stores and other retail and commercial
21 facilities; and

22 “(II) shall be determined by the
23 public housing agency involved, in
24 consultation with the appropriate resi-



1 dent advisory board established pursu-
2 ant to section 5A(e).

3 “(iii) TREATMENT OF STUDENTS.—
4 For purposes of clause (i), the absence of
5 a child or adult from a dwelling because of
6 temporary residence in another location for
7 the purpose of attending school on a full-
8 or part-time basis shall not be considered
9 in determining family size.”.

10 **SEC. 407. EXTENSION OF MANUFACTURED HOUSING DEM-**
11 **ONSTRATION PROGRAM.**

12 Section 557 of the Quality Housing and Work Re-
13 sponsibility Act of 1998 (Public Law 105–276; 112 Stat.
14 2613) is amended—

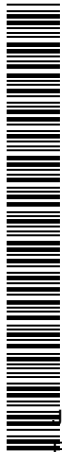
15 (1) in subsection (a), by striking “1999, 2000,
16 and 2001” and inserting “2002, 2003, and 2004”;
17 and

18 (2) in subsection (c)—

19 (A) by striking “REPORT” and inserting
20 “REPORTS”;

21 (B) by striking “a report” and inserting
22 “an interim report”;

23 (C) by striking “and evaluating” and in-
24 serting “the implementation and operation of”;
25 and



1 (D) by adding at the end the following new
2 sentence: “Not later than March 31, 2005, the
3 Secretary shall submit a report to the Congress
4 describing and evaluating the demonstration
5 program under this section.”.

6 **SEC. 408. EXTENSION OF PROJECT-BASED SECTION 8 CON-**
7 **TRACT RENEWALS.**

8 (a) RENEWAL OF EXPIRING PROJECT-BASED SEC-
9 TION 8 CONTRACTS.—Section 524 of the Multifamily As-
10 sisted Housing Reform and Affordability Act of 1997 (42
11 U.S.C. 1437f note) is amended—

12 (1) in subsection (a)(4)(A)(iv)—

13 (A) in subclause (I), by inserting “or”
14 after the semicolon;

15 (B) by striking subclause (II); and

16 (C) by redesignating subclause (III) as
17 subclause (II); and

18 (2) by striking paragraph (3) of subsection (b).

19 (b) ADJUSTMENTS FOR COVERED PROJECTS.—

20 (1) RENT DETERMINATION AT INITIAL RE-
21 NEWAL AFTER ENACTMENT.—Upon the first request
22 for renewal of project-based assistance pursuant to
23 section 524 after the date of enactment of this Act
24 by an owner of a covered housing project—



1 (A) the rent levels at which assistance will
2 be provided pursuant to such renewal will be
3 determined as if such renewal were the initial
4 renewal of a contract for assistance under sec-
5 tion 524, as amended by subsection (a) of this
6 section; and

7 (B) solely for purposes of determining the
8 rent levels at which assistance will be provided
9 pursuant to such first renewal after the date of
10 enactment of this Act, in the case of a project
11 for which contract rents were reduced on a
12 prior renewal of an expiring contract pursuant
13 to subsection (b)(3) of section 524, as in effect
14 on the day before the date of enactment of this
15 Act, the contract rent levels in effect imme-
16 diately prior to such first renewal after the date
17 of enactment of this Act shall be considered to
18 be the deemed rent levels described in para-
19 graph (3)(C).

20 (2) RENT ADJUSTMENTS AFTER INITIAL RE-
21 NEWAL AFTER ENACTMENT.—After the first renewal
22 of a contract for assistance of a covered project after
23 the date of enactment of this Act in accordance with
24 paragraph (1) of this subsection, the Secretary shall
25 adjust rents in accordance with section 524(c).

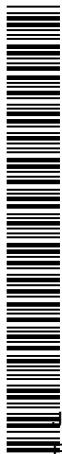


1 (3) DEFINITIONS.—In this subsection—

2 (A) references to “section 524” or any
3 subdivision thereof are references to section 524
4 of the Multifamily Assisted Housing Reform
5 and Affordability Act of 1997 (42 U.S.C. 1437f
6 note);

7 (B) the term “covered housing project”
8 means a project that receives project-based as-
9 sistance under section 8 of the United States
10 Housing Act of 1937 (42 U.S.C. 1437f) which
11 was renewed prior to the date of enactment of
12 this Act pursuant to subsection (b)(3) of sec-
13 tion 524, as in effect on the day before the date
14 of enactment of this Act;

15 (C) the term “deemed rent levels” means
16 the contract rent levels in effect immediately
17 prior to the first renewal of assistance pursuant
18 to subsection (b)(3) of section 524, as in effect
19 on the day before the date of enactment of this
20 Act, upon which contract rent levels were re-
21 duced, as adjusted by the applicable operating
22 cost adjustment factor established by the Sec-
23 retary at the date of such renewal and at the
24 date of any subsequent renewal pursuant to



1 subsection (b)(3) of section 524 occurring be-
2 fore the date of enactment of this Act; and

3 (D) the term “Secretary” means the Sec-
4 retary of Housing and Urban Development.

5 **SEC. 409. INSPECTION OF UNITS.**

6 Section 8(o)(8) of the United States Housing Act of
7 1937 (42 U.S.C. 1437f(o)(8)) is amended—

8 (1) in subparagraph (A)—

9 (A) by striking “(A) IN GENERAL.—Except
10 as provided in paragraph (11),” and inserting
11 the following:

12 “(A) GENERAL RULE.—

13 “(i) IN GENERAL.—Except as pro-
14 vided in clause (ii) and paragraph (11),”;
15 and

16 (B) by inserting at the end the following:

17 “(ii) EXCEPTION.—A public housing
18 agency may commence payments to an
19 owner, if the public housing agency—

20 “(I) has conducted an inspection
21 of the building, which includes an in-
22 spection of a reasonable number of
23 units in the 6 months prior to the
24 date on which payment is made to the
25 owner, and that inspection and any



1 subsequent unit inspections have not
2 turned up major deficiencies;

3 “(II) conducts an inspection of
4 the unit for which the payment is
5 being made not later than 30 days
6 after the date for which payment is
7 made to the owner; and

8 “(III) has an agreement with the
9 owner to correct any deficiencies and
10 make any repairs in the unit not later
11 than 30 days after the date on which
12 the inspection was made under sub-
13 clause (II).”; and

14 (2) in subparagraph (D)—

15 (A) by striking “(D) ANNUAL INSPEC-
16 TIONS.—Each” and inserting the following:

17 “(D) ANNUAL INSPECTIONS.—

18 “(i) IN GENERAL.—Except as pro-
19 vided in clause (ii), each”; and

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

21 “(ii) EXCEPTION.—If a public housing
22 agency has a large jurisdiction and is con-
23 ducting inspections on a geographical
24 basis, the public housing agency may com-
25 ply with the annual inspection requirement



1 by inspecting the unit within 9 to 15
2 months of the previous inspection.”.

3 **SEC. 410. ESCROW OF TENANT RENT IN CASES OF OWNER**
4 **FAILURE TO MAINTAIN UNIT.**

5 Section 8(o)(8) of the United States Housing Act of
6 1937 (42 U.S.C. 1437f(o)(8)) is amended by adding at
7 the end the following new subparagraph:

8 “(F) ESCROW OF TENANT RENT IN CASES
9 OF OWNER FAILURE TO MAINTAIN UNIT.—Each
10 housing assistance payment contract under this
11 subsection shall provide as follows:

12 “(i) REQUIREMENT.—In any case in
13 which a public housing agency suspends
14 assistance payments under this subsection
15 with respect to a dwelling unit because of
16 a failure on the part of the owner of the
17 unit to maintain the unit in compliance
18 with the housing quality standards estab-
19 lished pursuant to this paragraph, the
20 agency shall—

21 “(I) require the tenant to sus-
22 pend payment to the owner of the ten-
23 ant’s monthly contribution toward
24 rent and require the tenant to pay



1 such amount into an escrow account
2 established by the agency; and

3 “(II) notify the tenant and the
4 owner of the failure to maintain the
5 unit in compliance with such housing
6 quality standards and of the actions
7 required under this subparagraph.

8 “(ii) CORRECTION OF NONCOMPLI-
9 ANCE.—If the owner corrects the non-
10 compliance within the period of time estab-
11 lished by the agency for such purpose, the
12 public housing agency shall release to the
13 owner any tenant payments toward rent
14 deposited in the escrow account.

15 “(iii) FAILURE TO CORRECT NON-
16 COMPLIANCE.—If the owner fails to correct
17 the noncompliance within the period of
18 time established by the agency and the ten-
19 ant moves from the dwelling unit because
20 of such noncompliance, the public housing
21 agency shall make the any tenant pay-
22 ments toward rent that are deposited in
23 the escrow account available on behalf of
24 the tenant upon such move for costs of the



1 move and for rental of a new dwelling
2 unit.”.

3 **SEC. 411. PROJECT-BASED VOUCHERS MODIFICATIONS.**

4 (a) IN GENERAL.—Section 8(o)(13) of the United
5 States Housing Act of 1937 (42 U.S.C. 1437f(o)(13)) is
6 amended—

7 (1) in subparagraph (C)(ii), by inserting before
8 the period at the end the following: “, revitalizing a
9 low-income community, or preventing the displace-
10 ment of extremely low-income families”;

11 (2) in subparagraph (D)(ii), by striking “apply
12 in the case of” and all that follows through the pe-
13 riod and inserting the following: “apply—

14 “(I) in the case of assistance
15 under a contract for housing con-
16 sisting of single family properties
17 (buildings with 1 to 4 units);

18 “(II) for dwelling units that are
19 specifically made available for house-
20 holds comprised of elderly families or
21 disabled families; or

22 “(III) outside of a qualified cen-
23 sus tract, for buildings with 5 to 25
24 units or with dwelling units that are



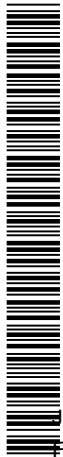
1 specifically made available for families
2 receiving supportive services.

3 For purposes of this clause, the term
4 ‘qualified census tract’ has the same mean-
5 ing given that term in section 42(d) of the
6 Internal Revenue Code of 1986 (26 U.S.C.
7 42(d)). The Secretary may waive the limi-
8 tations of this clause, consistent with the
9 obligation to affirmatively further fair
10 housing practices.”;

11 (3) in subparagraph (F), by striking “10 years”
12 and inserting “15 years”;

13 (4) in subparagraph (J)—

14 (A) in the first sentence, by inserting be-
15 fore the period the following: “, or from 1 or
16 more separate project-based waiting lists estab-
17 lished and maintained in accordance with sub-
18 paragraph (K). A public housing agency may
19 permit an owner to select families from a wait-
20 ing list for units assisted under this paragraph
21 maintained by the owner in accordance with
22 subparagraph (L). Regardless of whether a
23 waiting list is maintained under this subpara-
24 graph or under subparagraph (K) or (L), fami-
25 lies shall initially be selected from the public



1 housing agency's waiting list for assistance
2 under this subsection for at least 1/2 of the va-
3 cant units in a building made available with as-
4 sistance under this paragraph, unless the units
5 are restricted, under the tenant selection pref-
6 erences adopted under the annual plan sub-
7 mitted by the public housing agency to the Sec-
8 retary pursuant to section 5A(b), to occupancy
9 by persons who are receiving intensive publicly
10 funded services and who have a disability, as
11 defined in section 3 of this Act or section 422
12 of the McKinney-Vento Homeless Assistance
13 Act”;

14 (B) in the fifth sentence, by inserting be-
15 fore the period the following: “, unless the
16 owner maintains a waiting list under subpara-
17 graph (L)”;

18 (C) in the last sentence, by striking “and
19 may maintain” and all that follows through “on
20 the separate list”;

21 (5) by redesignating subparagraph (K) as sub-
22 paragraph (M); and

23 (6) by inserting after subparagraph (J) the fol-
24 lowing:



1 “(K) PUBLIC HOUSING AGENCY WAITING
2 LIST.—

3 “(i) IN GENERAL.—A public housing
4 agency may select families for assistance—

5 “(I) under subparagraph (J);

6 “(II) under this subparagraph
7 for each property that receives assist-
8 ance under this paragraph; or

9 “(III) under this subparagraph
10 for similar properties that receive as-
11 sistance under this paragraph.

12 “(ii) REQUIREMENTS.—A public hous-
13 ing agency that maintains a separate wait-
14 ing list under this subparagraph—

15 “(I) shall provide notice of the
16 opening of the waiting list in the same
17 manner required by the Secretary for
18 the provision of notice of the opening
19 of the waiting list for tenant-based as-
20 sistance under this subsection, except
21 that this subclause shall not apply to
22 units assisted under this paragraph
23 that are restricted, under tenant selec-
24 tion preferences adopted under the
25 annual plan submitted by the public



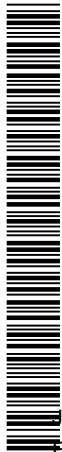
1 housing agency to the Secretary pur-
2 suant to section 5A(b) to occupancy
3 by persons who are receiving intensive
4 publicly funded services and who have
5 a disability, as defined in section 3 of
6 this Act or section 422 of the McKin-
7 ney-Vento Homeless Assistance Act;

8 “(II) shall give preference to
9 families on its tenant-based waiting
10 list, if families are applying at the
11 equivalent time and date with other-
12 wise equivalent preference under the
13 annual plan submitted by the public
14 housing agency to the Secretary pur-
15 suant to section 5A(b); and

16 “(III) shall notify families that
17 are applying for tenant-based assist-
18 ance of the opportunity to be listed on
19 the waiting list maintained under this
20 subparagraph.

21 “(L) OWNER WAITING LIST.—

22 “(i) IN GENERAL.—A public housing
23 agency may allow an owner of a structure
24 with a contract for assistance under this



1 paragraph to maintain a waiting list for
2 units assisted under this paragraph.

3 “(ii) AGENCY PLAN.—The policy for a
4 waiting list maintained under this subpara-
5 graph and any applicable preferences or se-
6 lection criteria shall be included in the an-
7 nual plan submitted by the public housing
8 agency to the Secretary in accordance with
9 section 5A(b).

10 “(iii) AGENCY RESPONSIBILITIES.—If
11 a waiting list is maintained under this sub-
12 paragraph, the public housing agency
13 shall—

14 “(I) provide notice of the opening
15 of the waiting list in the same manner
16 and to the same extent as is required
17 of the agency under subparagraph
18 (K)(ii)(I);

19 “(II) notify families that apply
20 for tenant-based assistance of the op-
21 portunity to be listed on that waiting
22 list;

23 “(III) establish a mechanism to
24 transmit applications submitted at its



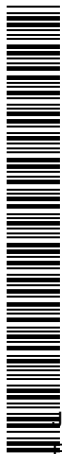
1 office to the owner for placement on
2 that waiting list; and

3 “(IV) monitor, at reasonable in-
4 tervals, the compliance by the owner
5 with laws applicable to tenant selec-
6 tion and waiting lists, including civil
7 rights laws, regulations, and certifi-
8 cations.

9 “(iv) OWNER RESPONSIBILITIES.—If
10 a waiting list is maintained under this sub-
11 paragraph, the owner of the structure
12 shall—

13 “(I) provide notice of the opening
14 of the waiting list (unless the public
15 housing agency agrees to provide such
16 notice for the owner, or notice is not
17 required pursuant to clause (iii)(I))
18 and provide preference to families on
19 the tenant-based waiting list of the
20 public housing agency in the same
21 manner as is required under subpara-
22 graph (K);

23 “(II) place on its waiting list,
24 families that apply at an office of the

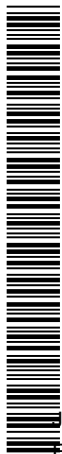


1 agency that accepts applications for
2 tenant-based assistance;

3 “(III) cooperate with requests of
4 the public housing agency for infor-
5 mation concerning the waiting list and
6 the tenant selection decisions of the
7 owner; and

8 “(IV) submit written tenant se-
9 lection policies and criteria to the pub-
10 lic housing agency for approval, and
11 make those policies and criteria avail-
12 able to the public.

13 “(v) RIGHT TO INFORMAL REVIEW.—
14 A family that is denied a unit by an owner
15 that maintains a waiting list under this
16 subparagraph shall have the same rights to
17 informal review by a public housing agency
18 as a family that is denied tenant-based as-
19 sistance by a public housing agency, and
20 such review shall be performed expedi-
21 tiously so as not to impede the timely rent-
22 al of units. The public housing agency’s re-
23 view at the informal hearing shall be lim-
24 ited to determining if the owner, if denying
25 admission, followed applicable law and the



1 procedures and criteria adopted by the
2 owner and approved by the public housing
3 agency for determining the eligibility of ap-
4 plicants for admission.

5 “(vi) APPLICABILITY.—Except as pro-
6 vided in this subparagraph, a waiting list
7 maintained by an owner shall be consid-
8 ered to be a waiting list maintained by a
9 public housing agency for assistance under
10 this subsection.

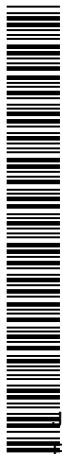
11 “(vii) LIMITATION OF LIABILITY.—No
12 right of action shall exist against a public
13 housing agency with respect to an owner’s
14 violation of any applicable law, unless the
15 agency has actual knowledge that such vio-
16 lation has occurred or is occurring and—

17 “(I) the agency has failed to take
18 action to cause the owner to cease
19 such violation; or

20 “(II) the public housing agency
21 has failed to comply with its respon-
22 sibilities under clause (iii).”; and

23 (7) by adding at the end the following:

24 “(N) FAIR HOUSING, SUBSIDY LAYERING,
25 AND COMPETITIVE SELECTION REQUIRE-



1 MENTS.—A public housing agency may attach
2 assistance under this paragraph to units with-
3 out specific approval by the Secretary of com-
4 pliance with fair housing, subsidy layering, or
5 competitive selection requirements, if—

6 “(i) for fair housing compliance, the
7 units proposed to receive assistance under
8 this paragraph receive a grant or a loan
9 under a Federal program pursuant to
10 which the Secretary, or a designee of the
11 Secretary, has determined in accordance
12 with regulations that the site location
13 would meet applicable civil rights and fair
14 housing requirements;

15 “(ii) for compliance with subsidy
16 layering requirements, consistent with the
17 written policy of the Secretary, the public
18 housing agency or another public agency
19 has determined that addition of subsidies
20 under this paragraph would not duplicate
21 other public funding; or

22 “(iii) for compliance with competitive
23 selection requirements, an advertisement
24 for capital funds announced the potential



1 for availability of assistance under this
2 paragraph.

3 “(O) USE OF ASSISTANCE IN CONJUNC-
4 TION WITH PUBLIC HOUSING CAPITAL
5 FUNDS.—

6 “(i) CAPITAL FUND AND HOPE VI.—
7 Notwithstanding any provision to the con-
8 trary in this Act, a public housing agency
9 may attach assistance under this para-
10 graph to a structure or unit that receives
11 assistance allocated to the public housing
12 agency under the Capital Fund, estab-
13 lished by section 9(d), or under section 24.

14 “(ii) OPERATING FUND.—A unit that
15 receives assistance under this paragraph
16 shall not be eligible for assistance under
17 the Operating Fund established by section
18 9(e).”.

19 (b) EFFECTIVE DATE.—

20 (1) IN GENERAL.—This section and the amend-
21 ments made by this section shall take effect upon
22 the date of enactment of this Act (with such minor
23 exceptions as the Secretary may specify).

24 (2) RULES.—The Secretary shall promulgate
25 rules, as may be necessary, to carry out section



1 8(o)(13) of the United States Housing Act of 1937
2 (42 U.S.C. 1437f(o)(13)), as amended by this Act,
3 and shall publish—

4 (A) proposed rules not later than 6 months
5 after the date of enactment of this Act; and

6 (B) final rules not later than 1 year after
7 the date of enactment of this Act.

8 **SEC. 412. EXPANDED USE OF ENHANCED VOUCHERS.**

9 (a) IN GENERAL.—Section 8(t)(1) of the United
10 States Housing Act of 1937 (42 U.S.C. 1437f(t)(1)), as
11 amended by the preceding provisions of this title, is fur-
12 ther amended—

13 (1) in paragraph (1), in the matter preceding
14 subparagraph (A), by striking “Enhanced” and in-
15 sserting “Except as provided in paragraph (2), en-
16 hanced”; and

17 (2) by redesignating paragraphs (2) through
18 (5) as paragraphs (3) through (6), respectively; and

19 (3) by inserting after paragraph (1) the fol-
20 lowing new paragraph:

21 “(2) ENHANCED VOUCHERS FOR RESIDENTS OF
22 UNITS NOT AVAILABLE FOR CONTINUED RENTAL.—

23 “(A) VOUCHER ASSISTANCE.—In the case
24 of a family who is eligible for enhanced voucher
25 assistance under this subsection and who, on



1 the date of the eligibility event resulting in such
2 family's eligibility, is residing in a dwelling unit
3 that is unavailable for continued rental as pro-
4 vided in subparagraph (B) as a result of such
5 event, enhanced voucher assistance under this
6 subsection for the family shall be voucher as-
7 sistance under subsection (o), except that under
8 such enhanced voucher assistance—

9 “(i) subject only to clause (iv), the as-
10 sisted family shall pay as rent no less than
11 the amount the family was paying on the
12 date of the eligibility event for the project;

13 “(ii) the assisted family may elect to
14 reside in any other dwelling unit that is lo-
15 cated within the zip code in which is lo-
16 cated the project in which the family was
17 residing on the date of the eligibility event
18 for the project or within a zip code contig-
19 uous to such zip code, and if, during any
20 period after such election that the family
21 continues to reside, the rent for the dwell-
22 ing unit of the family exceeds the applica-
23 ble payment standard established pursuant
24 to subsection (o) for the unit, the amount
25 of rental assistance provided on behalf of



1 the family shall be determined using a pay-
2 ment standard that is equal to the rent for
3 the dwelling unit (as such rent may be in-
4 creased from time-to-time), except that—

5 “(I) such rent shall be subject to
6 paragraph (10)(A) of subsection (o);

7 “(II) such payment standard
8 shall not exceed the greater of 150
9 percent of the applicable fair market
10 rents or 150 percent of the applicable
11 payment standard for the market
12 area; and

13 “(III) subject only to the limit in
14 subclause (II), such payment standard
15 shall not adversely affect such assisted
16 families;

17 “(iii) clause (ii) of this subparagraph
18 shall not apply and the payment standard
19 for the dwelling unit occupied by the fam-
20 ily shall be determined in accordance with
21 subsection (o) if—

22 “(I) the assisted family moves, at
23 any time, to a dwelling unit that is
24 not located within (aa) the zip code
25 within which is located the project in



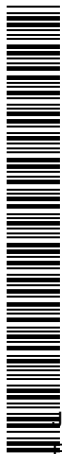
1 which the family was residing on the
2 date of the eligibility event for the
3 project, or (bb) a zip code contiguous
4 to such zip code; or

5 “(II) the voucher is made avail-
6 able for use by any family other than
7 the original family on behalf of whom
8 the voucher was provided; and

9 “(iv) if the income of the assisted
10 family declines to a significant extent, the
11 percentage of income paid by the family
12 for rent shall not exceed the greater of 30
13 percent or the percentage of income paid
14 at the time of the eligibility event for the
15 project.

16 “(B) UNAVAILABILITY DUE TO CONVER-
17 SION.—A dwelling unit shall be considered to be
18 unavailable for continued rental as provided in
19 this subparagraph if the eligibility event for the
20 project occurs in connection with a conversion
21 of the unit to condominium, cooperative, or
22 commercial use, after having obtained all nec-
23 essary land use approvals.”.

24 (b) REGULATIONS.—Not later than 180 days after
25 the date of the enactment of this Act, the Secretary shall



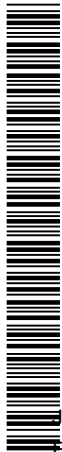
1 issue regulations necessary to carry out the amendment
2 made by subsection (a).

3 **SEC. 413. DEMONSTRATION PROGRAM FOR RENTAL ASSIST-**
4 **ANCE FOR GRANDPARENT-HEADED OR REL-**
5 **ATIVE-HEADED FAMILIES.**

6 (a) IN GENERAL.—The Secretary of Housing and
7 Urban Development shall carry out a demonstration pro-
8 gram to determine the feasibility of providing rental as-
9 sistance under section 8 of the United States Housing Act
10 of 1937 (42 U.S.C. 1437f) for the rental of suitable dwell-
11 ing units by covered families.

12 (b) ELIGIBLE UNITS.—Under the demonstration pro-
13 gram, the Secretary shall make rental assistance amounts
14 reserved pursuant to subsection (f) of this section avail-
15 able to public housing agencies selected to participate in
16 the program for use only for assistance on behalf of cov-
17 ered families renting qualified dwelling units. Such a pub-
18 lic housing agency may not initially provide voucher assist-
19 ance under this section for any family after the end of
20 fiscal year 2006.

21 (c) SERVICES.—The Secretary of Housing and Urban
22 Development shall require any public housing agency par-
23 ticipating in the demonstration program under this section
24 to ensure that families receiving rental assistance pursu-
25 ant to this section are provided with supportive services



1 that are tailored to the needs of children and covered fami-
2 lies. The Secretary shall coordinate with the heads of other
3 Federal agencies as may be appropriate to assist in ensur-
4 ing the provision of such services.

5 (d) SELECTION.—The Secretary of Housing and
6 Urban Development shall provide for public housing agen-
7 cies to apply to participate in the demonstration program
8 under this section and, during the period consisting of fis-
9 cal years 2003 through 2006 shall, to the extent amounts
10 are available pursuant to subsection (f), select not less
11 than two and not more than four agencies for such partici-
12 pation based on the ability of the applicant to provide as-
13 sistance and services under the program and national geo-
14 graphical diversity among agencies participating in the
15 program.

16 (e) REPORT.—Not later than 18 months after the
17 date of the enactment of this Act, the Secretary of Hous-
18 ing and Urban Development shall submit a report to the
19 Congress describing the demonstration program under
20 this section and analyzing the effectiveness of the pro-
21 gram.

22 (f) FUNDING.—Of any amounts made available for
23 voucher assistance under section 8(o) of the United States
24 Housing Act of 1937 (42 U.S.C. 1437f(o)) for fiscal year
25 2003 and fiscal years thereafter, the Secretary of Housing



1 and Urban Development shall reserve such amounts in
2 such fiscal years as may be necessary to provide voucher
3 assistance for the agencies selected under subsection (d)
4 for use only for providing assistance under this section.

5 **SEC. 414. ELIGIBILITY OF GRANDPARENT-HEADED AND**
6 **RELATIVE-HEADED FAMILIES FOR FAMILY**
7 **UNIFICATION ASSISTANCE.**

8 Section 8(x) of the United States Housing Act of
9 1937 (42 U.S.C. 1437f(x)) is amended—

10 (1) in paragraph (2)—

11 (A) by striking “section 8” and inserting
12 “this section”;

13 (B) by striking “and” before “(B)” and in-
14 serting a comma; and

15 (C) by inserting before the period at the
16 end the following: “, or (C) a covered family,
17 who is otherwise eligible for such assistance, for
18 rental of a qualified dwelling unit”;

19 (2) in the second sentence of paragraph (3)—

20 (A) by inserting “, as appropriate (A)”
21 after “containing”; and

22 (B) by inserting before the period at the
23 end the following: “, or (B) a description of the
24 need for assistance under this subsection for
25 covered families”; and



1 (3) in paragraph (4), by adding at the end the
2 following new subparagraphs:

3 “(C) CHILD.—The term ‘child’ means an
4 individual who—

5 “(i) is not attending school and is not
6 more than 18 years of age; or

7 “(ii) is attending school and is not
8 more than 19 years of age.

9 “(D) COVERED FAMILY.—The term ‘cov-
10 ered family’ means a family that—

11 “(i) includes a child; and

12 “(ii) has a head of household who is—

13 “(I) a grandparent of the child
14 who is raising the child; or

15 “(II) a relative of the child who
16 is raising the child.

17 “(E) GRANDPARENT.—The term ‘grand-
18 parent’ means, with respect to a child, an indi-
19 vidual who is a grandparent or stepgrandparent
20 of the child by blood or marriage, regardless of
21 the age of such individual. In the case of a child
22 who was adopted, the term includes an indi-
23 vidual who, by blood or marriage, is a grand-
24 parent or stepgrandparent of the child as
25 adopted.



1 “(F) QUALIFIED DWELLING UNIT.—The
2 term ‘qualified dwelling unit’ means a dwelling
3 unit that—

4 “(i) has at least 2 separate bedrooms;

5 “(ii) is equipped with design features
6 appropriate to meet the special physical
7 needs of elderly persons, as needed; and

8 “(iii) is equipped with design features
9 appropriate to meet the special physical
10 needs of young children.

11 “(G) RAISING A CHILD.—The term ‘raising
12 a child’ means, with respect to an individual,
13 that the individual—

14 “(i) resides with the child; and

15 “(ii) is the primary caregiver for the
16 child—

17 “(I) because the biological or
18 adoptive parents of the child do not
19 reside with the child or are unable or
20 unwilling to serve as the primary care-
21 giver for the child; and

22 “(II) regardless of whether the
23 individual has a legal relationship to
24 the child (such as guardianship or
25 legal custody) or is caring for the



1 child informally and has no such legal
2 relationship with the child.

3 “(H) RELATIVE.—The term ‘relative’
4 means, with respect to a child, an individual
5 who—

6 “(i) is not a parent of the child by
7 blood or marriage; and

8 “(ii) is a relative of the child by blood
9 or marriage, regardless of the age of the
10 individual.

11 In the case of a child who was adopted, the
12 term includes an individual who, by blood or
13 marriage, is a relative of the family who adopt-
14 ed the child.”.

15 **TITLE V—PUBLIC HOUSING**
16 **Subtitle A—General Provisions**

17 **SEC. 501. PHA JOINT VENTURES.**

18 Section 13(b) of the United States Housing Act of
19 1937 (42 U.S.C. 1437k(b)) is amended by adding at the
20 end the following new paragraph:

21 “(4) NON-FEDERAL FUNDS AND ACTIVITIES.—

22 This subsection shall not apply to any subsidiary,
23 joint venture, partnership, or business arrangement,
24 or any activity conducted by such an entity, that
25 does not involve holding or expending funds received



1 from the Federal Government or proceeds or income
2 derived from such funds.”.

3 **SEC. 502. THIRD-PARTY PUBLIC HOUSING ASSESSMENT**
4 **SYSTEM.**

5 (a) ESTABLISHMENT.—The Secretary of Housing
6 and Urban Development shall provide for the development
7 of a third-party assessment system for evaluating the per-
8 formance of public housing agencies, in accordance with
9 this section.

10 (b) PURPOSES.—The assessment system developed
11 under this section shall—

12 (1) provide an objective assessment of the over-
13 all performance of public housing agencies in all
14 major areas of management operations and in dis-
15 charging their obligations under the United States
16 Housing Act of 1937;

17 (2) identify quantifiable areas of the manage-
18 ment and financial condition of public housing agen-
19 cies; and

20 (3) determine the physical condition of public
21 housing dwelling units to ensure that they are main-
22 tained in accordance with the requirements pursuant
23 to the United States Housing Act of 1937.

24 (c) TESTING AND PROTOTYPE.—



1 (1) IN GENERAL.—Not later than 120 days
2 after the date of the enactment of this Act, to the
3 extent amounts are made available to carry out this
4 section, the Secretary of Housing and Urban Devel-
5 opment shall enter into a contract with a public enti-
6 ty or a private for-profit or nonprofit entity to de-
7 velop a system prototype for the third-party assess-
8 ment system required under this section and to test
9 such prototype. Such contract shall require such en-
10 tity to submit the prototype assessment system to
11 the Congress not later than the expiration of the 6-
12 month period beginning upon execution of the con-
13 tract and to complete such testing not later than the
14 expiration of the 12-month period beginning upon
15 execution of the contract.

16 (2) CONSULTATION.—In carrying out the test-
17 ing and prototype development under this sub-
18 section, the entity selected under this subsection
19 shall consult with individuals and organizations ex-
20 perience in managing public housing and their rep-
21 resentatives, private real estate managers, represent-
22 atives from State and local governments, residents of
23 public housing, and the Secretary.

24 (d) REPORT.—Not later than the expiration of the
25 12-month period beginning upon execution of the contract



1 referred to in subsection (c)(1), the Secretary of Housing
2 and Urban Development shall submit to the Congress a
3 report describing the results and recommendations regard-
4 ing the testing of the prototype assessment system con-
5 ducted pursuant to this subsection, which shall include
6 any comments and recommendations of the persons and
7 entities consulted with pursuant to subsection (c)(2) and
8 any recommendations regarding the replacement of the
9 public housing management assessment system estab-
10 lished under section 6(j) of the United States Housing Act
11 of 1937 (42 U.S.C. 1437d(j)).

12 (e) RULE OF CONSTRUCTION.—This section may not
13 be construed to—

14 (1) provide for or require the implementation of
15 the third-party assessment system developed pursu-
16 ant to this section; or

17 (2) alter, affect, suspend, terminate, or delay
18 the effectiveness or applicability of the public hous-
19 ing assessment system under section 6(j) of the
20 United States Housing Act of 1937 (42 U.S.C.
21 1437d(j)) or any regulations issued, or to be issued,
22 pursuant to such section.



1 **SEC. 503. PUBLIC HOUSING AGENCY PLANS FOR CERTAIN**
2 **SMALL PUBLIC HOUSING AGENCIES.**

3 (a) IN GENERAL.—Section 5A(b) of the United
4 States Housing Act of 1937 (42 U.S.C. 1437e–1(b)) is
5 amended by adding at the end the following new para-
6 graph:

7 “(3) SUSPENSION OF FILING REQUIREMENT
8 FOR CERTAIN SMALL PHAS.—

9 “(A) IN GENERAL.—Notwithstanding para-
10 graph (1) or any other provision of this Act—

11 “(i) the requirement under paragraph
12 (1) shall not apply to any qualified small
13 public housing agency for fiscal years
14 2003, 2004, or 2005; and

15 “(ii) any reference in this section or
16 any other provision of law to a ‘public
17 housing agency’ shall not be considered to
18 refer to any qualified small public housing
19 agency for such fiscal years, to the extent
20 such reference applies to the requirement
21 to submit a public housing agency plan
22 under subsection (b).

23 “(B) DEFINITION.—For purposes of this
24 paragraph, the term ‘qualified small public
25 housing agency’ means a public housing agency
26 that meets all of the following requirements:



1 “(i) The sum of (I) the number of
2 public housing dwelling units administered
3 by the agency, and (II) the number of
4 vouchers under section 8(o) of the United
5 States Housing Act of 1937 (42 U.S.C.
6 1437f(o)) administered by the agency, is
7 100 or fewer.

8 “(ii) The agency is not designated
9 pursuant to section 6(j)(2) as a troubled
10 public housing agency.

11 “(iii) The agency provides assurances
12 satisfactory to the Secretary that, during
13 fiscal years 2003, 2004, and 2005, not-
14 withstanding the inapplicability of the re-
15 quirements under section 5A relating to
16 resident advisory boards and public hear-
17 ings and notice, residents of public housing
18 administered by the agency will have an
19 adequate and comparable opportunity for
20 participation and notice regarding estab-
21 lishment of the goals, objectives, and poli-
22 cies of the public housing agency.”.

23 (b) REPORT.—Not later than September 30, 2004,
24 the Comptroller General of the United States shall submit
25 a report to the Congress describing and analyzing the ad-



1 ministrative, financial, and other burdens that would be
2 imposed on public housing agencies described in section
3 5A(b)(3)(B)(i) of the United States Housing Act of 1937
4 (42 U.S.C. 1437e-1(b)(3)(B)(i)), as amended by sub-
5 section (a) of this section, if such agencies were required
6 to comply fully with the requirements under section
7 5A(b)(1) of such Act.

8 **SEC. 504. AFFORDABLE ASSISTED LIVING FACILITIES DEM-**
9 **ONSTRATION PROGRAM.**

10 Title I of the United States Housing Act of 1937 (42
11 U.S.C. 1437 et seq.) is amended by adding at the end
12 the following new section:

13 **“SEC. 36. DEMONSTRATION PROGRAM FOR GRANTS FOR**
14 **CONVERSION OF PUBLIC HOUSING TO AS-**
15 **SISTED LIVING FACILITIES.**

16 “(a) GRANT AUTHORITY.—To the extent only that
17 amounts are appropriated in advance to carry out this sec-
18 tion, the Secretary shall carry out a program, in accord-
19 ance with this section, to demonstrate the effectiveness of
20 making grants to public housing agencies for use for ac-
21 tivities designed to convert dwelling units in eligible
22 projects described in subsection (b) to assisted living facili-
23 ties or other facilities that expand the availability of sup-
24 portive services, to enhance the ability of elderly persons
25 to maintain independent living.



1 “(b) ELIGIBLE PROJECTS.—An eligible project de-
2 scribed in this subsection is a public housing project (or
3 a portion thereof) that is primarily occupied by elderly
4 persons.

5 “(c) APPLICATIONS.—Applications for grants under
6 the demonstration program under this section shall be
7 submitted to the Secretary in accordance with such proce-
8 dures as the Secretary shall establish. Such applications
9 shall contain—

10 “(1) a description of the proposed conversion
11 activities for which a grant under the program is re-
12 quested;

13 “(2) the amount of the grant requested;

14 “(3) a description of the resources that are ex-
15 pected to be made available, if any, in conjunction
16 with the grant under the program; and

17 “(4) such other information or certifications
18 that the Secretary determines to be necessary or ap-
19 propriate.

20 “(d) FUNDING FOR SERVICES.—The Secretary may
21 not make a grant under the demonstration program under
22 this section unless the application contains sufficient evi-
23 dence, in the determination of the Secretary, that there
24 will be adequate funding for supportive services for resi-
25 dents of the facility converted with grant amounts.



1 “(e) SERVICE COORDINATORS.—An application for a
2 grant under the demonstration program under this section
3 may include a request for, and the Secretary may provide
4 funds under the grant for, amounts to provide service co-
5 ordinators to assist in the provision of supportive services
6 for residents of the facilities converted with grant
7 amounts.

8 “(f) SCOPE.—Grants under the demonstration pro-
9 gram under this section may be made only with respect
10 to three eligible projects.

11 “(g) SELECTION CRITERIA.—The Secretary shall se-
12 lect applications for grants under the demonstration pro-
13 gram under this section based upon selection criteria,
14 which shall be established by the Secretary and shall
15 include—

16 “(1) the extent to which the conversion is likely
17 to provide assisted living facilities or supportive serv-
18 ices that are needed or are expected to be needed by
19 the categories of elderly persons that the assisted liv-
20 ing facility is intended to serve;

21 “(2) the extent of financial need on the part of
22 the applicant for funding to carry out the conversion
23 activities proposed;

24 “(3) the extent to which the agency has evi-
25 denced community support for the conversion, by



1 such indicators as letters of support from the local
2 community for the conversion and financial contribu-
3 tions from public and private sources;

4 “(4) the extent to which the applicant dem-
5 onstrates a strong commitment to promoting the au-
6 tonomy and independence of the elderly persons that
7 the assisted living facility or other supportive serv-
8 ices facility is intended to serve;

9 “(5) the quality, completeness, and managerial
10 capability of providing services to elderly residents,
11 especially in such areas as meals, 24-hour staffing,
12 and on-site health care; and

13 “(6) such other criteria as the Secretary deter-
14 mines to be appropriate to ensure that funds made
15 available under the demonstration program under
16 this section are used effectively.

17 “(h) DEFINITION.—For the purposes of this section,
18 the term ‘assisted living facility’ has the meaning given
19 such term in section 232(b) of the National Housing Act
20 (12 U.S.C. 1715w(b)).

21 “(i) AUTHORIZATION OF APPROPRIATIONS.—There is
22 authorized to be appropriated for providing grants under
23 the demonstration program under this section such sums
24 as may be necessary for each of fiscal years 2003 and
25 2004.”.



1 **Subtitle B—HOPE VI**
2 **Revitalization Program**

3 **SEC. 521. SELECTION CRITERIA.**

4 Section 24(e)(2) of the United States Housing Act
5 of 1937 (42 U.S.C. 1437v(e)(2)) is amended—

6 (1) by striking the matter preceding subpara-
7 graph (A) and inserting the following:

8 “(2) SELECTION CRITERIA.—The Secretary
9 shall establish criteria for the award of grants under
10 this section and shall include among the factors—”;

11 (2) in subparagraph (B), by striking “large-
12 scale”;

13 (3) in subparagraph (D), by inserting “and on-
14 going implementation” after “development”;

15 (4) in subparagraph (H), by striking “and” at
16 the end;

17 (5) by redesignating subparagraph (I) as sub-
18 paragraph (M); and

19 (6) by inserting after subparagraph (H) the fol-
20 lowing new subparagraphs:

21 “(I) the extent to which the applicant can
22 commence and complete the revitalization plan
23 expeditiously;

24 “(J) the extent to which the plan mini-
25 mizes temporary or permanent displacement of



1 current residents of the public housing site who
2 wish to remain in or return to the revitalized
3 community;

4 “(K) the extent to which the plan sustains
5 or creates more project-based housing units
6 available to persons eligible for public housing
7 in markets where there is demand for the main-
8 tenance or creation of such units;

9 “(L) the extent to which the plan gives to
10 existing residents priority for occupancy in
11 dwelling units in the revitalized community;
12 and”.

13 **SEC. 522. AUTHORIZATION OF APPROPRIATIONS.**

14 Paragraph (1) of section 24(m) of the United States
15 Housing Act of 1937 (42 U.S.C. 1437v(m)(1)) is amended
16 to read as follows:

17 “(1) AUTHORIZATION OF APPROPRIATIONS.—

18 There are authorized to be appropriated for grants
19 under this section such sums as may be necessary
20 for each of fiscal years 2003 and 2004.”.

21 **SEC. 523. EXTENSION OF PROGRAM.**

22 Section 24(n) of the United States Housing Act of
23 1937 (42 U.S.C. 1437v(n)) is amended by striking “Sep-
24 tember 30, 2002” and inserting “September 30, 2004”.



1 **TITLE VI—HOMELESS HOUSING**
2 **PROGRAMS**

3 **SEC. 601. INTERAGENCY COUNCIL ON THE HOMELESS.**

4 Section 208 of the McKinney-Vento Homeless Assist-
5 ance Act (42 U.S.C. 11318) is amended to read as follows:

6 **“SEC. 208. AUTHORIZATION OF APPROPRIATIONS.**

7 “There are authorized to be appropriated to carry out
8 this title such sums as may be necessary for each of fiscal
9 years 2003 and 2004.”.

10 **SEC. 602. FEDERAL EMERGENCY MANAGEMENT AGENCY**
11 **FOOD AND SHELTER PROGRAM.**

12 Section 322 of the McKinney-Vento Homeless Assist-
13 ance Act (42 U.S.C. 11352) is amended to read as follows:

14 **“SEC. 322. AUTHORIZATION OF APPROPRIATIONS.**

15 “There are authorized to be appropriated to carry out
16 this title such sums as may be necessary for each of fiscal
17 years 2003 and 2004.”.

18 **SEC. 603. EMERGENCY SHELTER GRANTS PROGRAM.**

19 Section 417 of the McKinney-Vento Homeless Assist-
20 ance Act (42 U.S.C. 11377) is amended to read as follows:

21 **“SEC. 417. AUTHORIZATION OF APPROPRIATIONS.**

22 “There are authorized to be appropriated to carry out
23 this subtitle such sums as may be necessary for each of
24 fiscal years 2003 and 2004.”.



1 **SEC. 604. SUPPORTIVE HOUSING PROGRAM.**

2 (a) AUTHORIZATION OF APPROPRIATIONS.—Sub-
3 section (a) of section 429 of the McKinney-Vento Home-
4 less Assistance Act (42 U.S.C. 11389(a)) is amended to
5 read as follows:

6 “(a) AUTHORIZATION OF APPROPRIATIONS.—There
7 are authorized to be appropriated to carry out this subtitle
8 (not including activities funded pursuant to subsection (d)
9 of this section) such sums as may be necessary for each
10 of fiscal years 2003 and 2004.”.

11 (b) FUNDING OF RENEWALS THROUGH HOUSING
12 CERTIFICATE FUND.—Section 429 of the McKinney-
13 Vento Homeless Assistance Act (42 U.S.C. 11389) is
14 amended by adding at the end the following new sub-
15 section:

16 “(d) FUNDING OF RENEWALS.—

17 “(1) IN GENERAL.—For fiscal year 2003 and
18 fiscal years thereafter, assistance under this subtitle
19 may be funded using amounts appropriated for sec-
20 tion 8 of the United States Housing Act of 1937 (42
21 U.S.C. 1437f).

22 “(2) AUTHORIZATION OF APPROPRIATIONS.—In
23 addition to any amounts otherwise made available
24 for assistance under section 8 of the United States
25 Housing Act of 1937 (42 U.S.C. 1437f), there are
26 authorized to be appropriated such sums as may be



1 necessary for each of fiscal years 2003 and 2004 for
2 the renewal of contracts for permanent housing ac-
3 tivities under this subtitle. Any such renewals shall
4 be made only for a term of one year.”.

5 (c) SET-ASIDE.—Subtitle A of title IV of the McKin-
6 ney-Vento Homeless Assistance Act (42 U.S.C. 11361 et
7 seq.) is amended by adding at the end the following new
8 section:

9 **“SEC. 403. SET-ASIDE FOR PERMANENT HOUSING.**

10 “Notwithstanding any other provision of this title, of
11 the aggregate amount made available for assistance under
12 this title for any fiscal year, not less than 30 percent shall
13 be used only for permanent housing activities for homeless
14 persons. Amounts made available under section 429(d) or
15 463(c) for renewals of contracts for permanent housing
16 shall be disregarded for purposes of the preceding sen-
17 tence. For purposes of this section, the term ‘permanent
18 housing activities’ includes permanent housing designed
19 primarily to serve homeless families with children.”.

20 (d) ELIMINATION OF CAP ON CAPITAL EXPENSES.—
21 Section 423(a) of the McKinney-Vento Homeless Assist-
22 ance Act (42 U.S.C. 11383(a)) is amended—

23 (1) in the first sentence of paragraph (1)—

24 (A) by striking “, in an amount not to ex-
25 ceed \$200,000,”; and



1 (B) by striking “; except that” and all that
2 follows through “rehabilitation costs”; and
3 (2) in paragraph (2), by striking “, in an
4 amount not to exceed \$400,000,”.

5 **SEC. 605. SECTION 8 ASSISTANCE FOR SINGLE ROOM OCCU-**
6 **PANCY DWELLINGS.**

7 Subsection (a) of section 441 of the McKinney-Vento
8 Homeless Assistance Act (42 U.S.C. 11401(a)) is amend-
9 ed to read as follows:

10 “(a) INCREASE IN BUDGET AUTHORITY.—The budg-
11 et authority available under section 5(c) of the United
12 States Housing Act of 1937 for assistance under section
13 8(e)(2) of such Act (as in effect pursuant to section
14 289(b)(2) of the Cranston-Gonzalez National Affordable
15 Housing Act (42 U.S.C. 12839(b)(2)) is authorized to be
16 increased by such sums as may be necessary on or after
17 each of October 1, 2002, and October 1, 2003.”.

18 **SEC. 606. SHELTER PLUS CARE.**

19 (a) AUTHORIZATION OF APPROPRIATIONS.—The first
20 sentence of section 463(a) of the McKinney-Vento Home-
21 less Assistance Act (42 U.S.C. 11403h(a)) is amended to
22 read as follows: “For purposes of the housing programs
23 under this subtitle, there are authorized to be appro-
24 priated to carry out this subtitle (not including activities
25 funded pursuant to subsection (c) of this section) such



1 sums as may be necessary for each of fiscal years 2003
2 and 2004.”.

3 (b) FUNDING OF RENEWALS THROUGH HOUSING
4 CERTIFICATE FUND.—Section 463 of the McKinney-
5 Vento Homeless Assistance Act (42 U.S.C. 11403h) is
6 amended by adding at the end the following new sub-
7 section:

8 “(c) FUNDING OF RENEWALS.—

9 “(1) IN GENERAL.—For fiscal year 2003 and
10 fiscal years thereafter, assistance under this subtitle
11 may be funded using amounts appropriated for sec-
12 tion 8 of the United States Housing Act of 1937 (42
13 U.S.C. 1437f).

14 “(2) AUTHORIZATION OF APPROPRIATIONS.—In
15 addition to any amounts otherwise made available
16 for assistance under section 8 of the United States
17 Housing Act of 1937 (42 U.S.C. 1437f), there are
18 authorized to be appropriated such sums as may be
19 necessary for each of fiscal years 2003 and 2004 for
20 the renewal of contracts under this subtitle. Any
21 such renewals shall be made only for a term of one
22 year.”.

23 (c) CONDITIONS OF RENEWAL.—Section 456 of the
24 McKinney-Vento Homeless Assistance Act (42 U.S.C.
25 11403e) is amended—



1 (1) by inserting “(a) APPROVAL OF ASSIST-
2 ANCE.—” before “The Secretary”; and

3 (2) by adding at the end the following new sub-
4 section:

5 “(b) CONDITIONS OF RENEWAL.—The Secretary may
6 not provide assistance under this subtitle for any housing
7 previously assisted under this subtitle unless the unit of
8 general local government in which such project is located
9 certifies that the housing complies with such housing safe-
10 ty and quality standards, as the Secretary shall establish
11 and the Secretary reviews and approves such certifi-
12 cation.”.

13 **SEC. 607. HOUSING FOR DOMESTIC VIOLENCE AND SEXUAL**
14 **ASSAULT VICTIMS.**

15 (a) FUNDING.—There are authorized to be appro-
16 priated such sums as may be necessary for each of fiscal
17 years 2003 through 2007 for assistance under this section.

18 (b) HOUSING ASSISTANCE.—Any amounts made
19 available pursuant to subsection (a) of this section shall
20 be available to the Secretary only to provide assistance to
21 qualified organizations for the purpose of providing, on be-
22 half only of eligible individuals or families—

23 (1) supportive housing (as such term is defined
24 in section 422 of the McKinney-Vento Homeless As-
25 sistance Act (42 U.S.C. 11382));



1 (2) tenant-based rental assistance;

2 (3) financial assistance for a security deposit,
3 first month's rent, or ongoing rental assistance; or

4 (4) project-based transitional housing, except
5 that such assistance may be used only to cover ex-
6 penses of renovation, repair, conversion and oper-
7 ation of such housing.

8 (c) ELIGIBLE INDIVIDUALS AND FAMILIES.—An eligi-
9 ble individual or family under this paragraph is an indi-
10 vidual or family that meets both of the following require-
11 ments:

12 (1) VICTIMS.—The individual has been victim-
13 ized by domestic violence, stalking, or adult or child
14 sexual assault or the family is a victimized family.

15 (2) RELOCATION.—The qualified organization
16 providing the housing assistance pursuant to sub-
17 section (b) for which the individual or family is ap-
18 plying has determined that the individual or member
19 of the family who was a victim of the domestic vio-
20 lence, stalking, or adult or child sexual assault rea-
21 sonably believes that relocation from such residence
22 will assist in avoiding future domestic violence,
23 stalking, or adult or child sexual assault against
24 such individual or another member of the family.



1 (d) MATCHING REQUIREMENT.—Each qualified orga-
2 nization receiving assistance under this section shall sup-
3 plement such assistance with a 25 percent match of funds
4 for supportive services (as such term is defined in section
5 422 of the McKinney-Vento Homeless Assistance Act (42
6 U.S.C. 11382)) from sources other than this section. Each
7 such organization shall certify to the Secretary its compli-
8 ance with this section and shall include with the certifi-
9 cation a description of the sources and amounts of such
10 supplemental funds.

11 (e) ALLOCATION.—

12 (1) COMPETITION.—Amounts made available
13 pursuant to this section shall be allocated by the
14 Secretary, among qualified organizations that sub-
15 mit applications to the Secretary, under a national
16 competition based on demonstrated need for such as-
17 sistance, including the extent of service provided to
18 underserved populations (as such term is defined in
19 section 2003 of the Omnibus Crime Control and
20 Safe Streets Act of 1968 (42 U.S.C. 3796gg-2))
21 and the ability to undertake and carry out a pro-
22 gram under this section, as the Secretary shall de-
23 termine.

24 (2) SET ASIDE FOR INDIAN TRIBES.—Of the
25 total funds made available pursuant to subsection



1 (a) for any fiscal year, at least 10 percent shall be
2 used for grants to Indian tribes or Indian tribal or-
3 ganizations that provide emergency shelter, transi-
4 tional housing, or permanent housing or supportive
5 services to individuals or families victimized by do-
6 mestic violence, stalking, or adult or child sexual as-
7 sault. Indian tribes or Indian tribal organizations
8 that receive such grants may apply for and receive
9 other grants from the total funds appropriated
10 under this section. All other grants awarded shall go
11 to qualified organizations.

12 (f) APPLICATIONS.—The Secretary shall provide for
13 qualified organizations to apply for assistance under this
14 section and shall require that such an application shall—

15 (1) contain such certifications as the Secretary
16 shall require to ensure that—

17 (A) the applicant organization, to the ex-
18 tent practicable, has entered into cooperative
19 agreements or memoranda of understanding
20 with homeless coalitions, public housing au-
21 thorities, and community-based agencies that
22 represent underserved populations to establish
23 procedures for facilitating referrals to transi-
24 tional housing and for implementing tenant-
25 based housing assistance programs; and



1 (B) any construction or physical improve-
2 ments carried out with assistance amounts
3 under this section will comply with any applica-
4 ble housing, safety, and licensing codes, laws, or
5 regulations of the State or local government in
6 which the structure is located; and

7 (2) describe how the services to be provided
8 with assistance under this section will assist victims
9 of domestic violence in obtaining permanent housing.

10 (g) CONFIDENTIALITY.—A qualified organization
11 may not be provided assistance under this section unless
12 the organization agrees to ensure the confidentiality of—

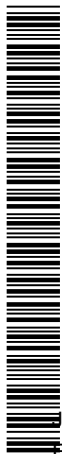
13 (1) the names of individuals and their depend-
14 ents assisted with services or in facilities funded, in
15 whole or in part, with such amounts; and

16 (2) any other information regarding such indi-
17 viduals and dependents,

18 except to the extent such information is otherwise required
19 by law to be disclosed.

20 (h) DEFINITIONS.—For purposes of this section:

21 (1) DOMESTIC VIOLENCE.—The term “domestic
22 violence” includes acts or threats of violence or ex-
23 treme cruelty (as such term is referred to in section
24 216 of the Immigration and Nationality Act (8
25 U.S.C. 1186a)), not including acts of self-defense,



1 committed by a current or former spouse of the vic-
2 tim, by a person with whom the victim has a child
3 in common, by a person who is cohabiting with or
4 has cohabited with the victim, by a person who is or
5 has been in a continuing social relationship of a ro-
6 mantic or intimate nature with the victim, by a per-
7 son similarly situated to a spouse of the victim
8 under the domestic or family violence laws of the
9 jurisdiction, or by any other person against a victim
10 who is protected from that person's acts under the
11 domestic or family violence laws of the jurisdiction.

12 (2) VICTIMIZED FAMILY.—

13 (A) IN GENERAL.—The term “victimized
14 family” means a family or household that in-
15 cludes an individual who has been determined
16 under subparagraph (B) to have been a victim
17 of domestic violence, stalking, or adult or child
18 sexual assault, but does not include any indi-
19 vidual who committed the domestic violence,
20 sexual assault, or adult or child sexual assault.
21 The term includes any such family or household
22 in which only a minor or minors are the indi-
23 vidual or individuals who was or were a victim
24 of domestic violence, stalking, or sexual assault
25 only if such family or household also includes a



1 parent, stepparent, legal guardian, or other re-
2 sponsible caretaker for the child.

3 (B) DETERMINATION.—For purposes of
4 subparagraph (A), a determination under this
5 subparagraph is a determination that domestic
6 violence, stalking, or adult or child sexual as-
7 sault has been committed, which is made by
8 any agency or official of a State, Indian tribe,
9 tribal organization, or unit of general local gov-
10 ernment based upon any reliable evidence that
11 domestic violence, stalking, or adult or child
12 sexual assault has occurred. A victim’s state-
13 ment that domestic violence, stalking, or adult
14 or child sexual assault has occurred shall be
15 sufficient unless the agency has an independent,
16 reasonable basis to find the individual not cred-
17 ible.

18 (3) INDIAN TRIBE.—The term “Indian Tribe”
19 shall have the same meaning given the term in sec-
20 tion 2003 of the Omnibus Crime Control and Safe
21 Streets Act of 1968 (42 U.S.C. 3796gg-2).

22 (4) QUALIFIED ORGANIZATION.—The term
23 “qualified organization” means a private, nongovern-
24 mental organization that—



1 (A) is organized, or has as its primary pur-
2 poses, to provide emergency shelter, transitional
3 housing, or permanent housing for victims of
4 domestic violence, stalking, or adult or child
5 sexual assault or is a medical, legal, counseling,
6 social, psychological, health, job training, edu-
7 cational, life skills development, or other social
8 services program for victims of domestic vio-
9 lence, stalking, or adult or child sexual assault
10 that undertakes a collaborative project with a
11 qualified, nonprofit, nongovernmental organiza-
12 tion that primarily provides emergency shelter,
13 transitional housing, or permanent housing for
14 low-income people;

15 (B) is organized under State, tribal, or
16 local laws;

17 (C) has no part of its net earnings inuring
18 to the benefit of any member, shareholder,
19 founder, contributor, or individual; and

20 (D) is approved by the Secretary as to fi-
21 nancial responsibility.

22 (5) SECRETARY.—The term “Secretary” means
23 the Secretary of Housing and Urban Development.

24 (6) SEXUAL ASSAULT.—The term “sexual as-
25 sault” means any conduct proscribed by chapter



1 109A of title 18, United States Code, whether or not
2 the conduct occurs in the special maritime and terri-
3 torial jurisdiction of the United States, on an Indian
4 reservation, or in a Federal prison and includes both
5 assaults committed by offenders who are strangers
6 to the victims and assaults committed by offenders
7 who are known to the victims or related by blood or
8 marriage to the victim.

9 (7) STALKING.—The term “stalking” means
10 engaging in a course of conduct directed at a spe-
11 cific person that would cause a reasonable person to
12 fear death, sexual assault, or bodily injury to himself
13 or herself or a member of his or her immediate fam-
14 ily, when the person engaging in such conduct has
15 knowledge or should have knowledge that the spe-
16 cific person will be placed in reasonable fear of
17 death, sexual assault, or bodily injury to himself or
18 herself or a member of his or her immediate family
19 and when the conduct induces fear in the specific
20 person of death, sexual assault, or bodily injury to
21 himself or herself or a member of his or her imme-
22 diate family.

23 (8) STATE.—The term “State” means the
24 States of the United States, the District of Colum-
25 bia, the Commonwealth of Puerto Rico, the Com-



1 monwealth of the Northern Mariana Islands, Guam,
2 the Virgin Islands, American Samoa, and any other
3 territory or possession of the United States.

4 (9) TRANSITIONAL HOUSING.—The term “tran-
5 sitional housing” includes short-term housing and
6 has the meaning given such term in section 424(b)
7 of the McKinney-Vento Homeless Assistance Act (42
8 U.S.C. 11384(b)).

9 (10) TRIBAL ORGANIZATION.—The term “tribal
10 organization” means a private, nonprofit, non-
11 governmental, or tribally chartered organization—

12 (A) whose primary purpose is to provide
13 emergency shelter, transitional housing, or per-
14 manent housing or supportive services to indi-
15 viduals or families victimized by domestic vio-
16 lence, stalking, or adult or child sexual assault;

17 (B) that operates within the exterior
18 boundaries of an Indian reservation; and

19 (C) whose board of directors reflects the
20 population served.

21 (11) UNIT OF GENERAL LOCAL GOVERN-
22 MENT.—The term “unit of general local govern-
23 ment” has the meaning given the term in section
24 102(a) of the Housing and Community Development
25 Act of 1974 (42 U.S.C. 5302(a)).



1 **SEC. 608. NATIONAL GOAL OF ENDING HOMELESSNESS.**

2 (a) IN GENERAL.—The McKinney-Vento Homeless
3 Assistance Act (42 U.S.C. 11301 et seq.) is amended by
4 inserting before title I the following new section:

5 **“SECTION 1. NATIONAL GOAL OF ENDING HOMELESSNESS.**

6 “The Congress hereby declares that it is a national
7 goal to end homelessness within 10 years after the enact-
8 ment of the Housing Affordability for America Act of
9 2002.”.

10 (b) AMENDMENT TO TABLE OF CONTENTS.—The
11 table of contents in section 101(b) of the McKinney-Vento
12 Homeless Assistance Act (42 U.S.C. 11301 note) is
13 amended by inserting before the item relating to title I
14 the following new item:

“Sec. 1. National goal of ending homelessness.”.

15 **SEC. 609. AMENDMENTS TO TABLE OF CONTENTS.**

16 The table of contents in section 101(b) of the McKin-
17 ney-Vento Homeless Assistance Act (42 U.S.C. 11301
18 note) is amended—

19 (1) by striking the item relating to subtitle A
20 of title IV and inserting the following new item:

“Subtitle A—General Provisions”;

21 (2) by inserting after the item relating to sec-
22 tion 401 the following new items:

“Sec. 402. Discharge coordination policy.
“Sec. 403. Set-aside for permanent housing.”;



1 and

2 (3) by striking the item relating to section 443

3 and inserting the following new item:

“Sec. 443. Environmental review.”.

4 **TITLE VII—NATIVE AMERICAN**
5 **HOUSING**

6 **SEC. 701. REAUTHORIZATION OF NATIVE AMERICAN HOUS-**
7 **ING AND SELF-DETERMINATION ACT OF 1996.**

8 (a) BLOCK GRANT ASSISTANCE.—Section 108 of the
9 Native American Housing and Self-Determination Act of
10 1996 (25 U.S.C. 4117) is amended to read as follows:

11 **“SEC. 108. AUTHORIZATION OF APPROPRIATIONS.**

12 “There are authorized to be appropriated for grants
13 under this title such sums as may be necessary for each
14 of fiscal years 2003 and 2004.”.

15 (b) GUARANTEES FOR TRIBAL HOUSING ACTIVITIES
16 LOANS.—

17 (1) AGGREGATE FISCAL YEAR LIMITATION.—

18 Section 605(a) of the Native American Housing and
19 Self-Determination Act of 1996 (25 U.S.C. 4195(a))
20 is amended by striking “1997, 1998, 1999, 2000,
21 and 2001” and inserting “2003 and 2004”.

22 (2) AUTHORIZATION OF APPROPRIATIONS FOR
23 CREDIT SUBSIDY.—Section 605(b) of the Native
24 American Housing and Self-Determination Act of
25 1996 (25 U.S.C. 4195(b)) is amended by striking



1 “1997, 1998, 1999, 2000, and 2001” and inserting
2 “2003 and 2004”.

3 (c) TRAINING AND TECHNICAL ASSISTANCE.—Sec-
4 tion 703 of the Native American Housing and Self-Deter-
5 mination Act of 1996 (25 U.S.C. 4212) is amended by
6 striking “1997, 1998, 1999, 2000, and 2001” and insert-
7 ing “2003 and 2004”.

8 **SEC. 702. COMPREHENSIVE PLANNING UNDER NATIVE**
9 **AMERICAN HOUSING BLOCK GRANT PRO-**
10 **GRAM.**

11 Section 101(h) of the Native American Housing As-
12 sistance and Self-Determination Act of 1996 (25 U.S.C.
13 4111(h)) is amended—

14 (1) by inserting after “Act” the first place such
15 term appears the following: “for comprehensive
16 housing and community development planning activi-
17 ties and”; and

18 (2) in the subsection heading, by inserting
19 “AND PLANNING” after “ADMINISTRATIVE”.

20 **SEC. 703. LANDS TITLE REPORT COMMISSION.**

21 (a) ESTABLISHMENT.—Section 501(a) of the Amer-
22 ican Homeownership and Economic Opportunity Act of
23 2000 (25 U.S.C. 4043 note) is amended by striking “Sub-
24 ject to sums being provided in advance in appropriations
25 Acts, there” and inserting “There”.



1 (b) APPOINTMENT OF MEMBERS.—Section 501(b)(1)
2 of the American Homeownership and Economic Oppor-
3 tunity Act of 2000 (25 U.S.C. 4043 note) is amended by
4 striking “this Act” and inserting “the American Indian
5 Lands Title Report Commission Corrections Act”.

6 (c) INITIAL MEETING.—Section 501(c) of the Amer-
7 ican Homeownership and Economic Opportunity Act of
8 2000 (25 U.S.C. 4043 note) is amended by striking “the
9 Chairperson of the Commission determines that sums suf-
10 ficient for the Commission to carry out its duties under
11 this Act have been appropriated for such purpose” and
12 inserting “the completion of the appointment of the initial
13 members pursuant to subsection (b)(1)”.

14 **TITLE VIII—HOUSING IMPACT**
15 **ANALYSIS**

16 **SEC. 801. APPLICABILITY.**

17 Except as provided in section 802, the requirements
18 of this title shall apply with respect to—

19 (1) any proposed rule, unless the agency pro-
20 mulgating the rule—

21 (A) has certified that the proposed rule
22 will not, if given force or effect as a final rule,
23 have a significant deleterious impact on housing
24 affordability; and



1 (B) has caused such certification to be
2 published in the Federal Register at the time of
3 publication of general notice of proposed rule-
4 making for the rule, together with a statement
5 providing the factual basis for the certification;
6 and

7 (2) any final rule, unless the agency promul-
8 gating the rule—

9 (A) has certified that the rule will not, if
10 given force or effect, have a significant deleter-
11 ious impact on housing affordability; and

12 (B) has caused such certification to be
13 published in the Federal Register at the time of
14 publication of the final rule, together with a
15 statement providing the factual basis for the
16 certification.

17 Any agency making a certification under this section shall
18 provide a copy of such certification and the statement pro-
19 viding the factual basis for the certification to the Sec-
20 retary of Housing and Urban Development.

21 **SEC. 802. EXCEPTION FOR CERTAIN BANKING RULES.**

22 The requirements of this title shall not apply to any
23 proposed or final rule relating to—

24 (1) the operations, safety, or soundness of—



1 (A) federally insured depository institu-
2 tions or any affiliate of such an institution (as
3 such term is defined in section 2(k) of the Bank
4 Holding Company Act of 1956 (12 U.S.C.
5 1841(k));

6 (B) credit unions;

7 (C) the Federal home loan banks;

8 (D) the enterprises (as such term is de-
9 fined in section 1303 of the Housing and Com-
10 munity Development Act of 1992 (12 U.S.C.
11 4502));

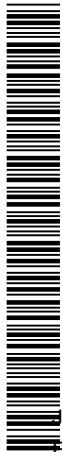
12 (E) a Farm Credit System institution; or

13 (F) foreign banks or their branches, agen-
14 cies, commercial lending companies, or rep-
15 resentative offices that operate in the United
16 States, or any affiliate of a foreign bank (as
17 such terms are defined in section 1 of the Inter-
18 national Banking Act of 1978 (12 U.S.C.
19 3101); or

20 (2) the payments system or the protection of
21 deposit insurance funds or the Farm Credit Insur-
22 ance Fund.

23 **SEC. 803. STATEMENT OF PROPOSED RULEMAKING.**

24 Whenever an agency publishes general notice of pro-
25 posed rulemaking for any proposed rule, unless the agency



1 has made a certification under section 801, the agency
2 shall—

3 (1) in the notice of proposed rulemaking—

4 (A) state with particularity the text of the
5 proposed rule; and

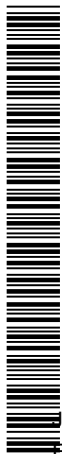
6 (B) request any interested persons to sub-
7 mit to the agency any written analyses, data,
8 views, and arguments, and any specific alter-
9 natives to the proposed rule;

10 (2) provide an opportunity for interested per-
11 sons to take the actions specified under paragraph
12 (1)(B) before promulgation of the final rule; and

13 (3) prepare and make available for public com-
14 ment an initial housing impact analysis in accord-
15 ance with the requirements of section 804.

16 **SEC. 804. INITIAL HOUSING IMPACT ANALYSIS.**

17 (a) REQUIREMENTS.—Each initial housing impact
18 analysis shall describe the impact of the proposed rule on
19 housing affordability. The initial housing impact analysis
20 or a summary shall be published in the Federal Register
21 at the same time as, and together with, the publication
22 of general notice of proposed rulemaking for the rule. The
23 agency shall transmit a copy of the initial housing impact
24 analysis to the Secretary of Housing and Urban Develop-
25 ment.



1 (b) CONTENTS.—Each initial housing impact analysis
2 required under this section shall contain—

3 (1) a description of the reasons why action by
4 the agency is being considered;

5 (2) a succinct statement of the objectives of,
6 and legal basis for, the proposed rule;

7 (3) a description of and, where feasible, an esti-
8 mate of the extent to which the proposed rule would
9 increase the cost or reduce the supply of housing or
10 land for residential development; and

11 (4) an identification, to the extent practicable,
12 of all relevant Federal rules which may duplicate,
13 overlap, or conflict with the proposed rule.

14 **SEC. 805. FINAL HOUSING IMPACT ANALYSIS.**

15 (a) REQUIREMENT.—Whenever an agency promul-
16 gates a final rule after publication of a general notice of
17 proposed rulemaking, unless the agency has made the cer-
18 tification under section 801, the agency shall prepare a
19 final housing impact analysis.

20 (b) CONTENTS.—Each final housing impact analysis
21 shall contain—

22 (1) a succinct statement of the need for, and
23 objectives of, the rule;

24 (2) a summary of the significant issues, anal-
25 yses, and alternatives to the proposed rule raised



1 during the public comment period in response to the
2 proposed rule and initial housing impact analysis, a
3 summary of the assessment of the agency of such
4 issues, analyses, and alternatives, and a statement of
5 any changes made in the proposed rule as a result
6 of such comments; and

7 (3) a description of and an estimate of the ex-
8 tent to which the rule will impact housing afford-
9 ability or an explanation of why no such estimate is
10 available.

11 (c) AVAILABILITY.—The agency shall make copies of
12 the final housing impact analysis available to members of
13 the public and shall publish in the Federal Register such
14 analysis or a summary thereof.

15 **SEC. 806. AVOIDANCE OF DUPLICATIVE OR UNNECESSARY**
16 **ANALYSES.**

17 (a) DUPLICATION.—Any Federal agency may per-
18 form the analyses required by sections 804 and 805 in
19 conjunction with or as a part of any other agenda or anal-
20 ysis required by any other law, executive order, directive,
21 or rule if such other analysis satisfies the provisions of
22 such sections.

23 (b) JOINDER.—In order to avoid duplicative action,
24 an agency may consider a series of closely related rules
25 as one rule for the purposes of sections 804 and 805.



1 **SEC. 807. PREPARATION OF ANALYSES.**

2 In complying with the provisions of sections 804 and
3 805, an agency may provide either a quantifiable or nu-
4 merical description of the effects of a proposed rule or al-
5 ternatives to the proposed rule, or more general descriptive
6 statements if quantification is not practicable or reliable.

7 **SEC. 808. EFFECT ON OTHER LAW.**

8 The requirements of sections 804 and 805 do not
9 alter in any manner standards otherwise applicable by law
10 to agency action.

11 **SEC. 809. PROCEDURE FOR WAIVER OR DELAY OF COMPLE-**
12 **TION.**

13 (a) INITIAL HOUSING IMPACT ANALYSIS.—An agen-
14 cy head may waive or delay the completion of some or all
15 of the requirements of section 804 by publishing in the
16 Federal Register, not later than the date of publication
17 of the final rule, a written finding, with reasons therefor,
18 that the final rule is being promulgated in response to an
19 emergency that makes compliance or timely compliance
20 with the provisions of section 801 impracticable.

21 (b) FINAL HOUSING IMPACT ANALYSIS.—An agency
22 head may not waive the requirements of section 805. An
23 agency head may delay the completion of the requirements
24 of section 805 for a period of not more than 180 days
25 after the date of publication in the Federal Register of
26 a final rule by publishing in the Federal Register, not later



1 than such date of publication, a written finding, with rea-
2 sons therefor, that the final rule is being promulgated in
3 response to an emergency that makes timely compliance
4 with the provisions of section 805 impracticable. If the
5 agency has not prepared a final housing impact analysis
6 pursuant to section 805 within 180 days from the date
7 of publication of the final rule, such rule shall lapse and
8 have no force or effect. Such rule shall not be repromul-
9 gated until a final housing impact analysis has been com-
10 pleted by the agency.

11 **SEC. 810. DEFINITIONS.**

12 For purposes of this title, the following definitions
13 shall apply:

14 (1) AGENCY.—The term “agency” means each
15 authority of the Government of the United States,
16 whether or not it is within or subject to review by
17 another agency, but does not include—

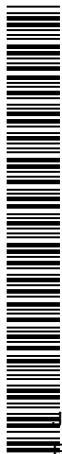
18 (A) the Congress;

19 (B) the courts of the United States;

20 (C) the governments of the territories or
21 possessions of the United States;

22 (D) the government of the District of Co-
23 lumbia;

24 (E) agencies composed of representatives
25 of the parties or of representatives of organiza-



1 tions of the parties to the disputes determined
2 by them;

3 (F) courts-martial and military commis-
4 sions;

5 (G) military authority exercised in the field
6 in time of war or in occupied territory; or

7 (H) functions conferred by—

8 (i) sections 1738, 1739, 1743, and
9 1744 of title 12, United States Code;

10 (ii) chapter 2 of title 41, United
11 States Code;

12 (iii) subchapter II of chapter 471 of
13 title 49, United States Code; or

14 (iv) sections 1884, 1891–1902, and
15 former section 1641(b)(2), of title 50, ap-
16 pendix, United States Code.

17 (2) FAMILIES.—The term “families” has the
18 meaning given such term in section 3 of the United
19 States Housing Act of 1937.

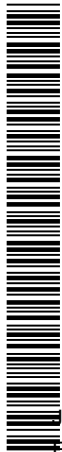
20 (3) HOUSING AFFORDABILITY.—The term
21 “housing affordability” means the quantity of hous-
22 ing that is affordable to families having incomes that
23 do not exceed 150 percent of the median income of
24 families in the area in which the housing is located,
25 with adjustments for smaller and larger families.



1 For purposes of this paragraph, area, median family
2 income for an area, and adjustments for family size
3 shall be determined in the same manner as such fac-
4 tors are determined for purposes of section 3(b)(2)
5 of the United States Housing Act of 1937.

6 (4) RULE.—The term “rule” means any rule
7 for which the agency publishes a general notice of
8 proposed rulemaking pursuant to section 553(b) of
9 title 5, United States Code, or any other law, includ-
10 ing any rule of general applicability governing grants
11 by an agency to State and local governments for
12 which the agency provides an opportunity for notice
13 and public comment; except that such term does not
14 include a rule of particular applicability relating to
15 rates, wages, corporate or financial structures or re-
16 organizations thereof, prices, facilities, appliances,
17 services, or allowances therefor or to valuations,
18 costs or accounting, or practices relating to such
19 rates, wages, structures, prices, appliances, services,
20 or allowances.

21 (5) SIGNIFICANT.—The term “significant”
22 means increasing consumers’ cost of housing by
23 more than \$100,000,000 per year.



1 **SEC. 811. DEVELOPMENT.**

2 Not later than 1 year after the date of the enactment
3 of this Act, the Secretary of Housing and Urban Develop-
4 ment shall develop model initial and final housing impact
5 analyses under this title and shall cause such model anal-
6 yses to be published in the Federal Register. The model
7 analyses shall define the primary elements of a housing
8 impact analysis to instruct other agencies on how to carry
9 out and develop the analyses required under sections 804
10 and 805

11 **SEC. 812. JUDICIAL REVIEW.**

12 (a) DETERMINATION BY AGENCY.—Except as other-
13 wise provided in subsection (b), any determination by an
14 agency concerning the applicability of any of the provi-
15 sions of this title to any action of the agency shall not
16 be subject to judicial review.

17 (b) OTHER ACTIONS BY AGENCY.—Any housing im-
18 pact analysis prepared under section 804 or 805 and the
19 compliance or noncompliance of the agency with the provi-
20 sions of this title shall not be subject to judicial review.
21 When an action for judicial review of a rule is instituted,
22 any housing impact analysis for such rule shall constitute
23 part of the whole record of agency action in connection
24 with the review.

25 (c) EXCEPTION.—Nothing in this section bars judi-
26 cial review of any other impact statement or similar anal-



1 ysis required by any other law if judicial review of such
2 statement or analysis is otherwise provided by law.

3 **TITLE IX—OTHER HOUSING**
4 **PROGRAMS**

5 **SEC. 901. GNMA GUARANTEE FEE.**

6 Section 972 of the Higher Education Amendments of
7 1998 (Public Law 105–244; 112 Stat. 1837) is hereby re-
8 pealed.

9 **SEC. 902. HOUSING COUNSELING PROGRAMS.**

10 (a) DESIGNATION OF OFFICE RESPONSIBLE FOR
11 HOUSING COUNSELING FUNCTIONS.—Section 4 of the
12 Department of Housing and Urban Development Act (42
13 U.S.C. 3533) is amended by adding at the end the fol-
14 lowing new subsection:

15 “(g)(1) The Secretary shall designate a single office
16 of the Department in existence on the date of the enact-
17 ment of the Housing Affordability for America Act of
18 2002 to establish, coordinate, and administrate all indi-
19 vidual program requirements, standards, and performance
20 measures under programs and laws administered by the
21 Department that relate to housing counseling, homeowner-
22 ship counseling, mortgage-related counseling, and rental
23 housing counseling, including the requirements, stand-
24 ards, and performance measures relating to housing coun-
25 seling pursuant to the provisions of law specified in para-



1 graph (2). To the extent that the Secretary is authorized
2 by law to provide housing counseling services, the Sec-
3 retary, in such circumstances or under such programs as
4 the Secretary considers appropriate, may authorize such
5 office to provide such housing counseling services.

6 “(2) The provisions specified in this paragraph are
7 as follows:

8 “(A) Section 105(a)(20) of the Housing and
9 Community Development Act of 1974 (42 U.S.C. 42
10 5305(a)(20)).

11 “(B) In the United States Housing Act of
12 1937—

13 “(i) section 9(e) (42 U.S.C. 1437g(e));

14 “(ii) section 8(y)(1)(D) (42 U.S.C.
15 1437f(y)(1)(D));

16 “(iii) section 18(a)(4)(D) (42 U.S.C.
17 1437p(a)(4)(D));

18 “(iv) section 23(c)(4) (42 U.S.C.
19 1437u(c)(4));

20 “(v) section 32(e)(4) (42 U.S.C. 1437z-
21 4(e)(4));

22 “(vi) section 33(d)(2)(B) (42 U.S.C.
23 1437z-5(d)(2)(B));



1 “(vii) sections 302(b)(6) and 303(b)(7) (42
2 U.S.C. 1437aaa-1(b)(6), 1437aaa-2(b)(7));
3 and

4 “(viii) section 304(c)(4) (42 U.S.C.
5 1437aaa-3(c)(4)).

6 “(C) Section 302(a)(4) of the American Home-
7 ownership and Economic Opportunity Act of 2000
8 (42 U.S.C. 1437f note).

9 “(D) Sections 233(b)(2) and 258(b) of the
10 Cranston-Gonzalez National Affordable Housing Act
11 (42 U.S.C. 12773(b)(2), 12808(b)).

12 “(E) Sections 101(e) and 106 of the Housing
13 and Urban Development Act of 1968 (12 U.S.C.
14 1701w(e), 1701x).

15 “(F) Section 220(d)(2)(G) of the Low-Income
16 Housing Preservation and Resident Homeownership
17 Act of 1990 (12 U.S.C. 4110(d)(2)(G)).

18 “(G) Sections 422(b)(6), 423(b)(7), 424(c)(4),
19 442(b)(6), and 443(b)(6) of the Cranston-Gonzalez
20 National Affordable Housing Act (42 U.S.C.
21 12872(b)(6), 12873(b)(7), 12874(c)(4),
22 12892(b)(6), and 12893(b)(6)).

23 “(H) Section 491(b)(1)(F)(iii) of the McKin-
24 ney-Vento Homeless Assistance Act (42 U.S.C.
25 11408(b)(1)(F)(iii)).



1 “(I) Sections 202(3) and 810(b)(2)(A) of the
2 Native American Housing and Self-Determination
3 Act of 1996 (25 U.S.C. 4132(3), 4229(b)(2)(A)).

4 “(J) In the National Housing Act—

5 “(i) in section 203 (12 U.S.C. 1709), the
6 penultimate undesignated paragraph of para-
7 graph (2) of subsection (b), subsection
8 (c)(2)(A), and subsection (r)(4);

9 “(ii) subsections (a) and (c)(3) of section
10 237 (12 U.S.C. 1715z-2); and

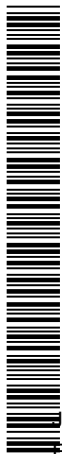
11 “(iii) subsections (d)(2)(B) and (m)(1) of
12 section 255 (12 U.S.C. 1715z-20).

13 “(K) Section 502(h)(4)(B) of the Housing Act
14 of 1949 (42 U.S.C. 1472(h)(4)(B)).

15 “(L) Section 508 of the Housing and Urban
16 Development Act of 1970 (12 U.S.C. 1701z-7).”.

17 (b) REPORT.—Not later than September 30, 2003,
18 the Secretary of Housing and Urban Development shall
19 submit a report to the Congress that—

20 (1) identifies the programs administered by the
21 Department of Housing and Urban Development
22 under which housing counseling is required, assisted,
23 or made available;



1 (2) describes the counseling offered or provided
2 under each such program, including the provider of
3 such counseling; and

4 (3) specifies any amounts made available under
5 law for technical assistance or similar functions
6 which are used to provide housing counseling.

7 **SEC. 903. ASSISTANCE FOR SELF-HELP HOUSING PRO-**
8 **VIDERS.**

9 (a) **LIMITATION ON ELIGIBLE EXPENSES.**—Section
10 11(d) of the Housing Opportunity Program Extension Act
11 of 1996 (42 U.S.C. 12805 note) is amended by adding
12 at the end the following new paragraph:

13 “(3) **LIMITATION ON ELIGIBLE EXPENSES.**—
14 The amount from grants under this section that is
15 used for eligible expenses (as such term is defined
16 under paragraph (2)) in connection with developing
17 dwelling units described in paragraph (1) may not
18 exceed an average of \$15,000 per dwelling unit de-
19 veloped by the grantee organization or consortium,
20 except that the Secretary may increase such \$15,000
21 amount for any particular geographic region that
22 the Secretary determines has elevated costs of land
23 acquisition or infrastructure improvement.”.



1 (b) EXTENSION OF PERIOD FOR USE OF GRANTS.—
2 Section 11 of the Housing Opportunity Program Exten-
3 sion Act of 1996 (42 U.S.C. 12805 note) is amended—

4 (1) in subsection (i)(5), by inserting before the
5 semicolon the following: “, and except that the Sec-
6 retary may extend such period for any organization
7 or consortia to not more than 48 months in any case
8 in which the Secretary determines, in the sole discre-
9 tion of the Secretary, that extraordinary cir-
10 cumstances (including a national emergency) war-
11 rant such extension”; and

12 (2) in subsection (j), by adding at the end the
13 following: “The Secretary may extend the period
14 otherwise applicable under this subsection for any
15 organization or consortia to not more than 48
16 months in any case in which the Secretary deter-
17 mines, in the sole discretion of the Secretary, that
18 extraordinary circumstances (including a national
19 emergency) warrant such extension.”.

20 (c) AUTHORIZATION OF APPROPRIATIONS.—Section
21 11(p) of the Housing Opportunity Program Extension Act
22 of 1996 (42 U.S.C. 12805 note) is amended by striking
23 “fiscal year 2001” and inserting “each of fiscal years
24 2003 and 2004”.



1 **SEC. 904. HOUSING OPPORTUNITIES FOR PERSONS WITH**
2 **AIDS.**

3 Section 863 of the Cranston-Gonzalez National Af-
4 fordable Housing Act (42 U.S.C. 12912) is amended to
5 read as follows:

6 **“SEC. 863. AUTHORIZATION OF APPROPRIATIONS.**

7 “There are authorized to be appropriated for grants
8 under sections 860 and 861 such sums as may be nec-
9 essary for each of fiscal years 2003 and 2004.”.

10 **SEC. 905. USE OF CDBG AMOUNTS FOR CONSTRUCTION OF**
11 **TORNADO-SAFE SHELTER FOR MANUFAC-**
12 **TURED HOUSING PARKS.**

13 (a) IN GENERAL.—Section 105(a) of the Housing
14 and Community Development Act of 1974 (42 U.S.C.
15 5305(a)) is amended—

16 (1) in paragraph (22), by striking “and” at the
17 end;

18 (2) in paragraph (23), by striking the period at
19 the end and inserting a semicolon; and

20 (3) by inserting after paragraph (23) the fol-
21 lowing new paragraph:

22 “(24) the construction or improvement of
23 tornado- or storm-safe shelters for manufactured
24 housing parks and residents of other manufactured
25 housing, the acquisition of real property for sites for
26 such shelters, and the provision of assistance (in-

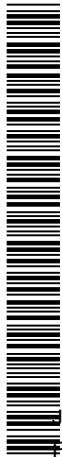


1 cluding loans and grants) to nonprofit or for-profit
2 entities (including owners of such parks) for such
3 construction, improvement, or acquisition, except
4 that a shelter assisted with amounts made available
5 pursuant to this paragraph shall be located in a
6 neighborhood consisting predominantly of persons of
7 low and moderate income, except that a shelter as-
8 sisted with amounts made available pursuant to this
9 paragraph may not be made available exclusively for
10 use of the residents of a particular manufactured
11 housing park or of other manufactured housing, but
12 shall generally serve the residents of the area in
13 which it is located; and”.

14 (b) AUTHORIZATION OF APPROPRIATIONS.—In addi-
15 tion to any amounts otherwise made available for grants
16 under title I of the Housing and Community Development
17 Act of 1974 (42 U.S.C. 5301 et seq.), there are authorized
18 to be appropriated such sums as may be necessary for
19 each of fiscal years 2003 and 2004 for assistance only for
20 activities pursuant to section 105(a)(24) of such Act.

21 **SEC. 906. USE OF CDBG AMOUNTS TO ADMINISTER RE-**
22 **NEWAL COMMUNITIES.**

23 Section 105(a)(13) of the Housing and Community
24 Development Act of 1974 (42 U.S.C. 5305(a)(13)) is



1 amended by inserting “and renewal communities” after
2 “enterprise zones”.

3 **SEC. 907. SUBSIDY LAYERING REVIEW.**

4 Section 911 of the Housing and Community Develop-
5 ment Act of 1992 (42 U.S.C. 3545 note) is amended

6 (1) in subsection (a)—

7 (A) by striking “may” and inserting
8 “shall”; and

9 (B) by striking “, submitted in accordance
10 with” and all that follows through the end of
11 the subsection and inserting the following:
12 “that it has made the determination required
13 by subsection (m)(2)(A) of such section 42
14 upon the first occasion that such determination
15 was required and that it will make such deter-
16 mination upon such additional occasions as are
17 required by law or regulation.”;

18 (2) by striking subsections (b) and (c); and

19 (3) by redesignating subsection (d) as sub-
20 section (b).

21 **SEC. 908. STUDY OF COMMUNITY RENEWAL PROGRAM.**

22 (a) IN GENERAL.—The Secretary of Housing and
23 Urban Development shall conduct a study to analyze the
24 extent to which use of 1990 census data for purposes of
25 determining eligibility of areas for designation as renewal



1 communities for purposes of the community renewal pro-
2 gram under subchapter X of chapter 1 of Internal Rev-
3 enue Code of 1986 (26 U.S.C. 1400E et seq.), rather than
4 data from the 2000 census, impairs the ability of commu-
5 nities to fully carry out the purposes of such program.

6 (b) REPORT.—The Secretary of Housing and Urban
7 Development shall submit a report to the Congress, not
8 later September 30, 2004, setting forth the results of the
9 study conducted pursuant to subsection (a).

10 **SEC. 909. CORRECTION OF INEQUITIES IN THE SECOND**
11 **ROUND OF EMPOWERMENT ZONES.**

12 (a) GRANT AUTHORITY.—There are authorized to be
13 appropriated to the Secretary of Housing and Urban De-
14 velopment such sums as may be necessary to make grant
15 awards to each of 15 urban empowerment zones des-
16 igned pursuant to section 1391(g) of the Internal Rev-
17 enue Code of 1986, taking into account any amount made
18 available pursuant to any prior appropriation made for
19 such zones.

20 (b) AUTHORITY TO USE FUNDS TO IMPLEMENT
21 STRATEGIC PLAN.—Funds appropriated under Federal
22 law for an empowerment zone referred to in subsection
23 (a) may be used to implement the strategic plan for the
24 zone, including—

25 (1) economic development;



- 1 (2) infrastructure development;
- 2 (3) workforce development; and
- 3 (4) community development activities.

4 (c) AUTHORITY TO USE FUNDS TO PAY NON-FED-
5 ERAL SHARE OF MATCHING GRANTS.—Funds appro-
6 priated under any Federal law for an empowerment zone
7 referred to in subsection (a) may be used to pay the non-
8 Federal share required in connection with another Federal
9 grant-in-aid program undertaken as part of activities as-
10 sisted under this section.

11 **SEC. 910. EMPLOYMENT OPPORTUNITIES IN PUBLIC AND**
12 **INDIAN HOUSING AGENCIES.**

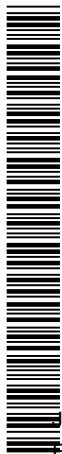
13 Section 3 of the Housing and Urban Development
14 Act of 1968 (12 U.S.C. 1701u) is amended—

15 (1) by redesignating subsections (e), (f), and
16 (g) as subsections (f), (g) and (h), respectively;

17 (2) in subsection (f), as so redesignated, by in-
18 sserting after paragraph (2) the following new para-
19 graph:

20 “(3) ONE-STOP DELIVERY SYSTEM.—The term
21 ‘one-stop delivery system’ has the meaning given
22 that term in section 134(c) of the Workforce Invest-
23 ment Act of 1998 (29 U.S.C. 2864(e)).”; and

24 (3) by inserting after subsection (d) the fol-
25 lowing new subsection:



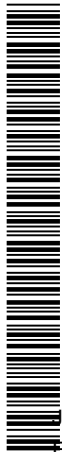
1 “(e) REQUIREMENT FOR HIRING OF NEW EMPLOY-
2 EES.—

3 “(1) THIRTY PERCENT REQUIREMENT.—It
4 shall be a condition of any contract awarded by a
5 public or Indian housing agency for work to be per-
6 formed in connection with development assistance
7 provided from the Capital Fund under section 9(d)
8 of the United States Housing Act of 1937, or from
9 the Operating Fund under section 9(e) of such Act,
10 that, except as provided in paragraph 2(B), a min-
11 imum of 30 percent of all new employees hired by
12 a contractor for work in connection with such con-
13 tract will be low- or very low-income persons.

14 “(2) COMPLIANCE.—As a condition of any con-
15 tract awarded for the work described in paragraph
16 (1), any contractor awarded such a contract shall—

17 “(A)(i) immediately before beginning work
18 under such contract, submit evidence to the sat-
19 isfaction of the public or Indian housing agency
20 showing that a minimum of 30 percent of all
21 new employees hired for work in connection
22 with such contract are low- or very low-income
23 persons; and

24 “(ii) submit evidence to the satisfaction of
25 the public or Indian housing agency showing



1 that a minimum of 30 percent of all subse-
2 quently hired new employees hired for work in
3 connection with such contract are low- or very
4 low-income persons; or

5 “(B) if such contractor cannot meet the re-
6 quirement imposed by paragraph (1)—

7 “(i) submit evidence to the satisfac-
8 tion of the public or Indian housing agency
9 showing that such contractor has given no-
10 tice of such contract to the one-stop deliv-
11 ery system for the area which the housing
12 subject to the contract is located, including
13 the particular skills and qualifications
14 needed by potential new employees for
15 work under such contract; and

16 “(ii) provide to the public or Indian
17 housing agency evidence, as the Secretary
18 shall by regulation require, sufficient to
19 show that no newly hired employees who
20 are not low- or very low-income persons
21 are performing work in place of skilled
22 low- or very low-income persons who were
23 provided by either the public or Indian
24 housing agency or by the one-stop delivery
25 system.



1 “(3) TRAINING.—Any contractor awarded a
2 contract for the work described in paragraph (1)
3 may not provide on-the-job training to any new em-
4 ployee for work under such contract unless such new
5 employee is a low- or very low-income person.”.

6 **SEC. 911. ASSISTANCE FOR NONPROFIT PURCHASERS PRE-**
7 **SERVING AFFORDABLE HOUSING.**

8 (a) GRANTS.—The Secretary of Housing and Urban
9 Development may make grants, to the extent amounts are
10 made available for such grants, to eligible entities under
11 subsection (b) for use only for operational, working cap-
12 ital, and organizational expenses of such entities and ac-
13 tivities by such entities to acquire eligible affordable hous-
14 ing for the purpose of ensuring that the housing will re-
15 main affordable, as the Secretary considers appropriate,
16 for low-income or very low-income families (including el-
17 derly persons).

18 (b) ELIGIBLE ENTITIES.—The Secretary shall estab-
19 lish standards for entities to be considered eligible entities
20 for purposes of this section, which shall include require-
21 ments that an entity shall—

22 (1) be a nonprofit organization (as such term is
23 defined in section 104 of the Cranston-Gonzalez Na-
24 tional Affordable Housing Act) that has a regional



1 or national focus and has been in existence at least
2 3 years;

3 (2) have among its purposes maintaining the
4 affordability to low-income or very low-income fami-
5 lies of multifamily properties that are at risk of loss
6 from the inventory of housing that is affordable to
7 low-income or very low-income families;

8 (3) demonstrate need for assistance under this
9 section for the purposes under subsection (a), expe-
10 rience in carrying out activities referred to in such
11 subsection, and capability to carry out such activi-
12 ties; and

13 (4) demonstrate financial resources, financial
14 capability, and organizational outreach to make best
15 use of scarce Federal resources by—

16 (A) leveraging effectively any funding under
17 this section with private-sector capital; and

18 (B) working in effective cooperation with
19 other similar organizations.

20 (c) DEFINITIONS.—For purposes of this section:

21 (1) ELIGIBLE AFFORDABLE HOUSING.—The
22 term “eligible affordable housing” means housing
23 that—

24 (A) consists of more than 4 dwelling units;



1 (B) serves exclusively or predominantly a
2 tenancy of low-income families or very low-in-
3 come families, or is insured or assisted under a
4 program of the Department of Housing and
5 Urban Development, the Department of Agri-
6 culture, or applicable State housing finance
7 agency programs under which the property is
8 subject to limitations on tenant rents, rent con-
9 tributions, or incomes; and

10 (C) is at risk, as determined by the Sec-
11 retary, of having loss of affordability because of
12 market rate conversion, deterioration, or demo-
13 lition.

14 (2) LOW-INCOME FAMILIES; VERY LOW-INCOME
15 FAMILIES.—The terms “low-income families” and
16 “very low-income families” have the meanings given
17 such terms in section 3(b) of the United States
18 Housing Act of 1937.

19 (d) AUTHORIZATION OF APPROPRIATIONS.—There
20 are authorized to be appropriated such sums as may be
21 necessary for grants under this section.

22 **SEC. 912. HOMEOWNERSHIP FOR MUNICIPAL EMPLOYEES.**

23 (a) ELIGIBLE ACTIVITIES.—Section 105(a) of the
24 Housing and Community Development Act of 1974 (42
25 U.S.C. 5305(a)) is amended—



1 (1) in paragraph (22)(C), by striking “and” at
2 the end;

3 (2) in paragraph (23), by striking the period at
4 the end and inserting a semicolon; and

5 (3) by inserting after paragraph (23) the fol-
6 lowing new paragraph:

7 “(24) provision of direct assistance to facilitate
8 and expand homeownership among uniformed em-
9 ployees (including policemen, firemen, and sanitation
10 and other maintenance workers) of, and teachers
11 who are employees of, the metropolitan city or urban
12 county (or an agency or school district serving such
13 city or county) receiving grant amounts under this
14 title pursuant to section 106(b) or the unit of gen-
15 eral local government (or an agency or school dis-
16 trict serving such unit) receiving such grant
17 amounts pursuant to section 106(d), except that—

18 “(A) such assistance may only be provided
19 on behalf of such employees who are first-time
20 homebuyers under the meaning given such term
21 in section 104(14) of the Cranston-Gonzalez
22 National Affordable Housing Act (42 U.S.C.
23 12704(14)), except that, for purposes of this
24 paragraph, such section shall be applied by sub-
25 stituting ‘section 105(a)(24) of the Housing



1 and Community Development Act of 1974' for
2 'title II';

3 “(B) notwithstanding section
4 102(a)(20)(B) or any other provision of this
5 title, such assistance may be provided on behalf
6 of such employees whose family incomes do not
7 exceed—

8 “(i) 115 percent of the median income
9 of the area involved, as determined by the
10 Secretary with adjustments for smaller and
11 larger families; or

12 “(ii) with respect only to areas that
13 the Secretary determines have high hous-
14 ing costs, taking into consideration median
15 house prices and median family incomes
16 for the area, 150 percent of the median in-
17 come of the area involved, as determined
18 by the Secretary with adjustments for
19 smaller and larger families;

20 “(C) such assistance shall be used only for
21 acquiring principal residences for such employ-
22 ees, in a manner that involves obligating
23 amounts with respect to any particular mort-
24 gage over a period of 1 year or less, by—



1 “(i) providing amounts for
2 downpayments on mortgages;
3 “(ii) paying reasonable closing costs
4 normally associated with the purchase of a
5 residence;
6 “(iii) obtaining pre- or post-purchase
7 counseling relating to the financial and
8 other obligations of homeownership; or
9 “(iv) subsidizing mortgage interest
10 rates; and
11 “(D) any residence purchased using assist-
12 ance provided under this paragraph shall be
13 subject to restrictions on resale that are—
14 “(i) established by the metropolitan
15 city, urban county, or unit of general local
16 government providing such assistance; and
17 “(ii) determined by the Secretary to
18 be appropriate to comply with subpara-
19 graphs (A) and (B) of section 215(b)(3) of
20 the Cranston-Gonzalez National Affordable
21 Housing Act (42 U.S.C. 12745(b)(3)), ex-
22 cept that, for purposes of this paragraph,
23 such subparagraphs shall be applied by
24 substituting ‘section 105(a)(24) of the



1 Housing and Community Development Act
2 of 1974' for 'this title';”.

3 (b) PRIMARY OBJECTIVES.—Section 105(c) of the
4 Housing and Community Development Act of 1974 (42
5 U.S.C. 5305(c)) is amended by adding at the end the fol-
6 lowing new paragraph:

7 “(5) HOMEOWNERSHIP ASSISTANCE FOR MUNICIPAL
8 EMPLOYEES.—Notwithstanding any other provision of this
9 title, any assisted activity described in subsection (a)(24)
10 of this section shall be considered, for purposes of this
11 title, to benefit persons of low and moderate income and
12 to be directed toward the objective under section
13 101(c)(3).”.

14 **SEC. 913. SENSE OF CONGRESS REGARDING HUD OFFICE**
15 **OF DISABILITY POLICY.**

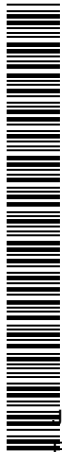
16 (a) CONGRESSIONAL FINDINGS.—The Congress finds
17 that—

18 (1) 54,000,000 Americans have disabilities;

19 (2) 1,300,000 disabled Americans have worst-
20 case housing needs;

21 (3) people with disabilities and their families
22 face unique challenges in securing adequate housing;

23 (4) it is the policy of the United States, as en-
24 shrined in the Fair Housing Act, the Rehabilitation
25 Act of 1973 and the Americans With Disabilities



1 Act of 1990, and other Federal laws, that the dis-
2 abled have the same rights to housing as other
3 Americans;

4 (5) people with disabilities represent an impor-
5 tant constituency of the Department of Housing and
6 Urban Development and rely heavily on many of the
7 Department's programs for their housing needs;

8 (6) people with disabilities need a single, one-
9 stop source for help with their housing needs;

10 (7) people with disabilities need an advocate
11 within HUD;

12 (8) HUD has designated a Deputy Assistant
13 Secretary for Special Needs whose responsibilities
14 includes many populations with housing challenges,
15 but people with disabilities are not specifically cited
16 as among those responsibilities;

17 (9) HUD has, in the past, established special
18 resource offices, such as the Veteran Resource Cen-
19 ter (HUDVET), to provide information on HUD's
20 community-based programs and services to specific
21 HUD constituents and their families;

22 (10) people with disabilities are overlooked in
23 much of HUD's administrative structure and ought
24 to receive as much attention from the Federal Gov-



1 ernment's housing agency as other groups with crit-
2 ical housing needs; and

3 (11) HUD currently has an Office of Disability
4 Policy, but there has not been a Director of that Of-
5 fice since January 2001.

6 (b) SENSE OF CONGRESS.—It is the sense of the
7 Congress that the Secretary of Housing and Urban Devel-
8 opment should—

9 (1) immediately appoint a permanent Director
10 of the Office of Disability Policy;

11 (2) examine the role of the Department's Office
12 of Disability Policy, its relationship to the Office of
13 Special Needs, and whether and what changes might
14 be made to increase attention to people with disabil-
15 ities within the Department's programs and policies;
16 and

17 (3) establish a resource center for people with
18 disabilities and their families within the Office of
19 Disability Policy to serve as a portal into the De-
20 partment's community-based programs and services.

