

103^D CONGRESS
1ST SESSION

H. R. 2517

AMENDMENTS

In the Senate of the United States,

September 23 (legislative day, September 7), 1993.

Resolved, That the bill from the House of Representatives (H.R. 2517) entitled “An Act to establish certain programs and demonstrations to assist States and communities in efforts to relieve homelessness, assist local community development organizations, and provide affordable rental housing for low-income families, and for other purposes”, do pass with the following

AMENDMENTS:

Strike out all after the enacting clause and insert:

1 ***SECTION 1. SHORT TITLE.***

2 *This Act may be cited as the “HUD Demonstration*
3 *Act of 1993”.*

4 ***SEC. 2. INNOVATIVE HOMELESS INITIATIVES DEMONSTRATION PROGRAM.***
5

6 *(a) PURPOSE.—The purpose of this section is to enable*
7 *the Secretary of Housing and Urban Development (here-*
8 *after in this Act referred to as the “Secretary”), through*
9 *cooperative efforts in partnership with other levels of gov-*
10 *ernment and the private sector, including nonprofit organi-*
11 *zations, foundations, and communities, to demonstrate*
12 *methods of undertaking comprehensive strategies for assist-*
13 *ing homeless individuals and families (including homeless*

1 *individuals who have AIDS or who are infected with HIV),*
2 *through a variety of activities, including the coordination*
3 *of efforts and the filling of gaps in available services and*
4 *resources. In carrying out the demonstration, the Secretary*
5 *shall—*

6 *(1) provide comprehensive homeless demonstra-*
7 *tion grants under subsection (c); and*

8 *(2) provide innovative project funding under*
9 *subsection (d).*

10 *(b) DEFINITIONS.—For purposes of this section, the*
11 *following definitions shall apply:*

12 *(1) HOMELESS INDIVIDUAL.—The term “home-*
13 *less individual” has the meaning given such term in*
14 *section 103 of the Stewart B. McKinney Homeless As-*
15 *sistance Act.*

16 *(2) HOMELESS FAMILY.—The term “homeless*
17 *family” means a group of one or more related indi-*
18 *viduals who are homeless individuals.*

19 *(3) INCORPORATED DEFINITIONS.—The terms*
20 *“State”, “metropolitan city”, “urban county”, “unit*
21 *of general local government”, and “Indian tribe” have*
22 *the meanings given such terms in section 102(a) of*
23 *the Housing and Community Development Act of*
24 *1974.*

1 (4) *JURISDICTION.*—The term “jurisdiction”
2 means a State, metropolitan city, urban county, unit
3 of general local government (including units in rural
4 areas), or Indian tribe.

5 (5) *NONPROFIT ORGANIZATION.*—The term “non-
6 profit organization” means an organization—

7 (A) no part of the net earnings of which in-
8 ures to the benefit of any member, founder, con-
9 tributor, or individual;

10 (B) that, in the case of a private nonprofit
11 organization, has a voluntary board;

12 (C) that has an accounting system, or has
13 designated a fiscal agent in accordance with re-
14 quirements established by the Secretary; and

15 (D) that practices nondiscrimination in the
16 provision of assistance.

17 (6) *VERY LOW-INCOME FAMILIES.*—The term
18 “very low-income families” has the meaning given
19 such term in section 3 of the United States Housing
20 Act of 1937.

21 (c) *COMPREHENSIVE HOMELESS INITIATIVE.*—

22 (1) *DESIGNATION.*—The Secretary shall des-
23 ignate such jurisdictions as the Secretary may deter-
24 mine for comprehensive homeless initiative funding
25 under this subsection.

1 (2) *AUTHORITY.*—*The Secretary may provide as-*
2 *stance under this subsection to—*

3 (A) *jurisdictions designated under para-*
4 *graph (1) (or entities or instrumentalities estab-*
5 *lished under the authority of such jurisdictions);*

6 *or*

7 (B) *nonprofit organizations operating with-*
8 *in such jurisdictions,*
9 *to establish comprehensive homeless initiatives to*
10 *carry out the purpose of this section.*

11 (3) *CRITERIA.*—*The Secretary shall establish cri-*
12 *teria for designating jurisdictions under paragraph*
13 *(1), which shall include—*

14 (A) *the extent of homelessness in the juris-*
15 *isdiction;*

16 (B) *the extent to which the existing public*
17 *and private systems for homelessness prevention,*
18 *outreach, assessment, shelter, services, transi-*
19 *tional services, transitional housing, and perma-*
20 *nent housing available within the jurisdiction*
21 *would benefit from additional resources to*
22 *achieve a comprehensive approach to meeting the*
23 *needs of individuals and families who are home-*
24 *less or who are very low-income and at risk of*
25 *homelessness;*

1 (C) the demonstrated willingness and ca-
2 pacity of the jurisdiction to work cooperatively
3 with the Department of Housing and Urban De-
4 velopment (hereafter in this Act referred to as the
5 “Department”), nonprofit organizations, founda-
6 tions, other private entities, and the community
7 to design and implement an initiative to achieve
8 the purposes of this subsection;

9 (D) the demonstrated willingness of non-
10 governmental organizations to commit financial
11 and other resources to a comprehensive homeless
12 initiative in the jurisdiction;

13 (E) the commitment of the jurisdiction to
14 make necessary changes in policy and procedure
15 to provide sufficient flexibility and resources as
16 necessary to implement and sustain the initia-
17 tive;

18 (F) national geographic diversity in the
19 designation of jurisdiction; and

20 (G) such other factors as the Secretary de-
21 termines to be appropriate.

22 (4) CONSULTATION.—Prior to designating juris-
23 dictions under paragraph (1), the Secretary shall con-
24 sult with the Committee on Banking, Finance and
25 Urban Affairs of the House of Representatives and the

1 *Committee on Banking, Housing, and Urban Affairs*
2 *of the Senate regarding such designations.*

3 (5) *COMPREHENSIVE STRATEGY.—Recipients of*
4 *assistance under this subsection shall, in cooperation*
5 *with the Secretary, other governmental entities, non-*
6 *profit organizations, foundations, other private enti-*
7 *ties, and the community, develop a comprehensive*
8 *plan that—*

9 (A) *sets forth a realistic and feasible strat-*
10 *egy that contains specific projects and activities*
11 *to carry out the purpose of this section;*

12 (B) *demonstrates the willingness of the ap-*
13 *propriate government and private entities and*
14 *other parties to participate cooperatively in this*
15 *plan;*

16 (C) *specifies the projects and activities to be*
17 *funded under this subsection;*

18 (D) *provides an estimate of the cost of im-*
19 *plementing the initiative funded under this sub-*
20 *section;*

21 (E) *enumerates amounts to be made avail-*
22 *able to fund the comprehensive homeless initia-*
23 *tive by participating governmental entities, non-*
24 *profit organizations, foundations, and the com-*

1 munity, as appropriate, and requests funds from
2 the Secretary pursuant to this subsection; and

3 (F) provides such other information as the
4 Secretary determines to be appropriate.

5 (6) *DESIGNATION.*—The designation referred to
6 in paragraph (1) and assistance provided under
7 paragraph (2) shall be made on a noncompetitive
8 basis.

9 (d) *INNOVATIVE PROJECT FUNDING.*—

10 (1) *AUTHORITY.*—The Secretary is authorized to
11 provide assistance under this subsection to jurisdic-
12 tions and nonprofit organizations operating within
13 such jurisdictions to establish innovative programs to
14 carry out the purpose of this section.

15 (2) *APPLICATIONS.*—Applications for assistance
16 under this subsection shall be in such form, and shall
17 include such information, as the Secretary shall deter-
18 mine. Each application shall include—

19 (A) a description of the extent of homeless-
20 ness in the jurisdiction;

21 (B) an explanation of the extent to which
22 the existing systems, both public and private, for
23 homelessness prevention, outreach, assessment,
24 shelter, services, transitional services, transi-
25 tional housing, and permanent housing available

1 *within the jurisdiction would benefit from addi-*
2 *tional resources to achieve a comprehensive ap-*
3 *proach to meeting the needs of individuals and*
4 *families who are homeless, or who are very low-*
5 *income and at risk of homelessness;*

6 *(C) a description of the projects and activi-*
7 *ties for which the applicant is requesting fund-*
8 *ing under this subsection and the amounts re-*
9 *quested;*

10 *(D) the demonstrated willingness and ca-*
11 *capacity of the jurisdiction to work cooperatively*
12 *with the Department, nonprofit organizations,*
13 *foundations, other private entities, and the com-*
14 *munity, to the extent feasible, to design and im-*
15 *plement an initiative to achieve the purposes of*
16 *this subsection;*

17 *(E) a statement of commitment from the ju-*
18 *risdiction to make necessary changes in policy*
19 *and procedure to provide sufficient flexibility*
20 *and resources as necessary to implement and*
21 *sustain the program; and*

22 *(F) such other information as the Secretary*
23 *determines to be appropriate.*

1 (3) *CRITERIA.*—*The Secretary shall establish se-*
2 *lection criteria for awarding assistance under this*
3 *subsection, which shall include—*

4 (A) *the extent to which the program de-*
5 *scribed in the application achieves the purpose of*
6 *this section;*

7 (B) *the extent to which the applicant dem-*
8 *onstrates the capacity to implement a program*
9 *that achieves the purpose of this section;*

10 (C) *the extent to which the program de-*
11 *scribed in the application is innovative and may*
12 *be replicated or may serve as a model for imple-*
13 *mentation in other jurisdictions;*

14 (D) *diversity by geography and community*
15 *type; and*

16 (E) *such other criteria as the Secretary de-*
17 *termines to be appropriate.*

18 (e) *REPORTS.*—

19 (1) *RECIPIENTS OF FUNDS.*—*Each recipient of*
20 *funds under subsections (c) and (d) shall submit to*
21 *the Secretary a report or series of reports, in a form*
22 *and at a time specified by the Secretary. Each report*
23 *shall—*

24 (A) *describe the use of funds made available*
25 *under this section; and*

1 (B) include a description and an analysis
2 of the programs and projects funded, the innova-
3 tive approaches taken, and the level of coopera-
4 tion among participating parties.

5 (2) *INTERIM HUD REPORT.*—The Secretary shall
6 submit to the Congress, in conjunction with the 1995
7 legislative recommendations of the Department, a re-
8 port describing the results of the demonstration pro-
9 gram funded under this section to date. The report
10 shall contain a summary and analysis of all informa-
11 tion contained in any reports received by the Sec-
12 retary pursuant to paragraph (1) and shall contain
13 recommendations for future action.

14 (3) *FINAL HUD REPORT.*—Not later than 3
15 months after all recipient reports have been submitted
16 under paragraph (1), the Secretary shall submit to
17 the Congress a final report. The Secretary's final re-
18 port shall contain a summary and analysis of all in-
19 formation contained in the reports received by the
20 Secretary pursuant to paragraph (1) and shall con-
21 tain recommendations for future action.

22 (f) *AUTHORIZATION OF APPROPRIATIONS.*—There are
23 authorized to be appropriated \$200,000,000 for fiscal year
24 1994 to carry out this section. Of the amounts appropriated
25 pursuant to this subsection, not less than 25 percent shall

1 *be used to carry out innovative project funding under sub-*
2 *section (d). All funds shall remain available until expended.*

3 (g) *REPEAL.*—*This section shall be repealed effective*
4 *on October 1, 1994.*

5 **SEC. 3. MOVING TO OPPORTUNITIES.**

6 *Section 152(e) of the Housing and Community Devel-*
7 *opment Act of 1992 (42 U.S.C. 1437f note) is amended in*
8 *the first sentence by striking “\$52,100,000” and inserting*
9 *“\$165,000,000”.*

10 **SEC. 4. CAPACITY BUILDING FOR COMMUNITY DEVELOP-**
11 **MENT AND AFFORDABLE HOUSING.**

12 (a) *IN GENERAL.*—*The Secretary is authorized to pro-*
13 *vide assistance through the National Community Develop-*
14 *ment Initiative to develop the capacity and ability of com-*
15 *munity development corporations and community housing*
16 *development organizations to undertake community devel-*
17 *opment and affordable housing projects and programs.*

18 (b) *FORM OF ASSISTANCE.*—*Assistance under this sec-*
19 *tion may be used for—*

20 (1) *training, education, support, and advice to*
21 *enhance the technical and administrative capabilities*
22 *of community development corporations and commu-*
23 *nity housing development organizations;*

24 (2) *loans, grants, or predevelopment assistance to*
25 *community development corporations and community*

1 *housing development organizations to carry out com-*
2 *munity development and affordable housing activities*
3 *that benefit low-income families; and*

4 *(3) such other activities as may be determined by*
5 *the National Community Development Initiative in*
6 *consultation with the Secretary.*

7 *(c) MATCHING REQUIREMENT.—Assistance provided*
8 *under this section shall be matched from private sources in*
9 *an amount equal to 3 times the amount made available*
10 *under this section.*

11 *(d) IMPLEMENTATION.—The Secretary shall by notice*
12 *establish such requirements as may be necessary to carry*
13 *out the provisions of this section. The notice shall take effect*
14 *upon issuance.*

15 *(e) AUTHORIZATION.—There are authorized to be ap-*
16 *propriated \$25,000,000 for fiscal year 1994 to carry out*
17 *this section.*

18 **SEC. 5. AUTHORIZATION FOR COMMUNITY HOUSING PART-**
19 **NERSHIPS AND SUPPORT FOR STATE AND**
20 **LOCAL HOUSING STRATEGIES.**

21 *Section 205 of the Cranston-Gonzalez National Afford-*
22 *able Housing Act (12 U.S.C. 12724) is amended—*

23 *(1) in paragraph (1), by striking “\$14,000,000*
24 *for fiscal year 1994” and inserting “\$25,000,000 for*
25 *fiscal year 1994”; and*

1 (A) provides assistance for a term of not
2 less than 60 months and not greater than 180
3 months; and

4 (B) provides for contract rents, to be deter-
5 mined by the Secretary, which shall not exceed
6 contract rents permitted under section 8 of the
7 United States Housing Act of 1937, taking into
8 consideration any costs for the construction, re-
9 habilitation, or acquisition of the housing.

10 (2) AMENDMENT TO SECTION 203.—Section 203
11 of the Housing and Community Development Amend-
12 ments of 1978 (12 U.S.C. 1701z-11) is amended by
13 adding at the end the following new subsection:

14 “(1) Project-based assistance in connection with the
15 disposition of a multifamily housing project may be pro-
16 vided for a contract term of less than 15 years if such assist-
17 ance is provided—

18 “(1) under a contract authorized under section 6
19 of the HUD Demonstration Act of 1993; and

20 “(2) pursuant to a disposition plan under this
21 section for a project that is determined by the Sec-
22 retary to be otherwise in compliance with this sec-
23 tion.”.

24 (d) LIMITATION.—(1) The Secretary may not provide
25 (or make a commitment to provide) more than 50 percent

1 *of the funding for housing financed by any single pension*
2 *fund, except that this limitation shall not apply if the Sec-*
3 *retary, after the end of the 6-month period beginning on*
4 *the date notice is issued under subsection (e)—*

5 *(A) determines that—*

6 *(i) there are no expressions of interest that*
7 *are likely to result in approvable applications in*
8 *the reasonably foreseeable future; or*

9 *(ii) any such expressions of interest are not*
10 *likely to use all funding under this section; and*

11 *(B) so informs the Committee on Banking, Fi-*
12 *nance and Urban Affairs of the House of Representa-*
13 *tives and the Committee on Banking, Housing, and*
14 *Urban Affairs of the Senate.*

15 *(2) If the Secretary determines that there are expres-*
16 *sions of interest referred to in paragraph (1)(A)(ii), the Sec-*
17 *retary may reserve funding sufficient in the Secretary's de-*
18 *termination to fund such applications and may use any*
19 *remaining funding for other pension funds in accordance*
20 *with this section.*

21 *(e) IMPLEMENTATION.—The Secretary shall by notice*
22 *establish such requirements as may be necessary to carry*
23 *out the provisions of this section. The notice shall take effect*
24 *upon issuance.*

1 (f) *APPLICABILITY OF ERISA.*—Notwithstanding sec-
2 tion 514(d) of the Employee Retirement Income Security
3 Act of 1974, nothing in this section shall be construed to
4 authorize any action or failure to act that would constitute
5 a violation of such Act.

6 (g) *REPORT.*—Not later than 3 months after the last
7 day of each fiscal year, the Secretary shall submit to the
8 Committee on Banking, Finance and Urban Affairs of the
9 House of Representatives and the Committee on Banking,
10 Housing, and Urban Affairs of the Senate a report summa-
11 rizing the activities carried out under this section during
12 that fiscal year.

13 (h) *ESTABLISHMENT OF STANDARDS.*—Mortgages se-
14 cured by housing assisted under this demonstration shall
15 meet such standards regarding financing and securitization
16 as the Secretary may establish.

17 (i) *GAO STUDY.*—The Comptroller General of the
18 United States shall conduct a study evaluating the dem-
19 onstration authorized under this section and shall report
20 its findings to the Committee on Banking, Finance and
21 Urban Affairs of the House of Representatives and the Com-
22 mittee on Banking, Housing, and Urban Affairs of the Sen-
23 ate not later than 3 months after the conclusion of the dem-
24 onstration.

1 (2) *by inserting after paragraph (1) the follow-*
2 *ing new paragraph:*

3 “(2) *INTERIM REPORT.*—*Not later than March 1,*
4 *1994, the Commission shall submit an interim report*
5 *to the Secretary and the Congress. The report shall*
6 *describe the activities of the Commission under para-*
7 *graph (1) and shall contain any information specified*
8 *in such paragraph that is available to the Commis-*
9 *sion and any evaluations and recommendations speci-*
10 *fied in such paragraph that may be made by the*
11 *Commission, at such time.”.*

12 (d) *AUTHORIZATION OF APPROPRIATIONS.*—*Section*
13 *943(f) of the Cranston-Gonzalez National Affordable Hous-*
14 *ing Act (Public Law 101–625; 104 Stat. 4415) is amended*
15 *by inserting after the first sentence the following new sen-*
16 *tence: “There are authorized to be appropriated for fiscal*
17 *year 1994 such sums as may be necessary to carry out this*
18 *section.”.*

19 ***SEC. 8. RECIPROCITY IN APPROVAL OF HOUSING SUBDIVI-***
20 ***SIONS AMONG FEDERAL AGENCIES.***

21 (a) *EXTENSION OF AUTHORITY.*—*Section 535(b) of the*
22 *Housing Act of 1949 (42 U.S.C. 1490o(b)) is amended by*
23 *striking “June 15, 1993” and inserting “September 30,*
24 *1994”.*

1 (b) *RETROACTIVITY.*—An administrative approval of
2 a housing subdivision made after June 15, 1993, and before
3 the date of the enactment of this Act is approved and shall
4 be considered to have been lawfully made, but only if other-
5 wise made in accordance with the provisions of section
6 535(b) of the Housing Act of 1949.

7 **SEC. 9. FHA INSURANCE AUTHORITY.**

8 Section 531(b) of the National Housing Act (12 U.S.C.
9 1735f–9(b)) is amended by striking “\$65,905,824,960” and
10 inserting “\$110,165,000,000”.

11 **SEC. 10. GNMA GUARANTEE AUTHORITY.**

12 Section 306(g)(2) of the National Housing Act (12
13 U.S.C. 1721(g)(2)) is amended by striking
14 “\$88,000,000,000” and inserting “\$107,700,000,000”.

15 **SEC. 11. ADMINISTRATION OF SECTION 8 PROGRAM.**

16 (a) *ADMINISTRATIVE FEE.*—Notwithstanding the sec-
17 ond sentence of section 8(q)(1) of the United States Housing
18 Act of 1937, other applicable law, or any implementing reg-
19 ulations and related requirements, the fee for the ongoing
20 costs of administering the certificate and housing voucher
21 programs under subsections (b) and (o) of section 8 of such
22 Act during fiscal year 1994 shall be—

23 (1) not less than a fee calculated in accordance
24 with the fair market rents for Federal fiscal year
25 1993; or

1 (2) *not more than—*

2 (A) *a fee calculated in accordance with sec-*
3 *tion 8(q) of such Act, except that such fee shall*
4 *not be in excess of 3.5 percent above the fee cal-*
5 *culated in accordance with paragraph (1); or*

6 (B) *to the extent approved in an appropria-*
7 *tion Act, a fee calculated in accordance with*
8 *such section 8(q).*

9 (b) *STUDY.—*

10 (1) *IN GENERAL.—The Secretary shall conduct a*
11 *study assessing the costs incurred by public housing*
12 *agencies in administering the voucher and certificate*
13 *programs under subsections (b) and (o) of section 8*
14 *of the United States Housing Act of 1937.*

15 (2) *SPECIFIC REQUIREMENTS.—The study con-*
16 *ducted under this subsection shall—*

17 (A) *take into account variances in costs at-*
18 *tributable to the geographic area, the tenant pop-*
19 *ulation, and the number of units covered by a*
20 *public housing agency; and*

21 (B) *include an analysis of the costs associ-*
22 *ated with Federal mandates, such as the family*
23 *self-sufficiency program, and such other factors*
24 *that the Secretary determines to be appropriate.*

1 (3) *SUBMISSION TO CONGRESS.*—*The Secretary*
2 *shall submit to the Congress a report containing the*
3 *results of the study conducted under this subsection in*
4 *conjunction with the Department of Housing and*
5 *Urban Development’s 1994 legislative recommenda-*
6 *tions.*

7 **SEC. 12. AMENDMENTS TO PUBLIC LAW 102-389.**

8 (a) *EXTENSION OF TIME.*—*Subject to appropriations*
9 *made in advance in an appropriations Act, title II of the*
10 *Departments of Veterans Affairs and Housing and Urban*
11 *Development, and Independent Agencies Appropriations*
12 *Act, 1993 (Public Law 102-389), is amended under the*
13 *heading “Administrative Provisions” in the second undesig-*
14 *nated paragraph by striking “October 1, 1993” and insert-*
15 *ing “October 1, 1994”.*

16 (b) *PROJECT-BASED ASSISTANCE.*—*Title II of the De-*
17 *partments of Veterans Affairs and Housing and Urban De-*
18 *velopment, and Independent Agencies Appropriations Act,*
19 *1993 (Public Law 102-389), is amended under the heading*
20 *“Administrative Provisions” in the ninth undesignated*
21 *paragraph by inserting “(which may be project-based as-*
22 *sistance)” after “36 units”.*

Amend the title so as to read: “An Act to enable the Secretary of Housing and Urban Development to demonstrate innovative strategies for assisting homeless indi-

viduals, to develop the capacity of community development corporations and community housing development organizations to undertake community development and affordable housing projects and programs, to encourage pension fund investment in affordable housing, and for other purposes.”.

Attest:

Secretary.

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HR 2517 EAS—3

HR 2517 EAS—4