

104TH CONGRESS
1ST SESSION

H. R. 1098

To provide for the elimination of the Department of Housing and Urban Development, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 1, 1995

Mr. HEFLEY (for himself, Mr. HERGER, and Mr. FIELDS of Texas) introduced the following bill; which was referred to the Committee on Banking and Financial Services and, in addition, to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide for the elimination of the Department of Housing and Urban Development, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Department of Hous-
5 ing and Urban Development Elimination Act of 1995”.

1 **TITLE I—ELIMINATION OF DE-**
2 **PARTMENT OF HOUSING AND**
3 **URBAN DEVELOPMENT**

4 **SEC. 101. ELIMINATION OF DEPARTMENT OF HOUSING AND**
5 **URBAN DEVELOPMENT.**

6 (a) ELIMINATION.—The Department of Housing and
7 Urban Development Act (42 U.S.C. 3531 et seq.) is here-
8 by repealed.

9 (b) EFFECTIVE DATE.—Subsection (a) shall take ef-
10 fect on January 1, 1998.

11 **SEC. 102. DUTIES OF THE SECRETARY.**

12 (a) IN GENERAL.—Notwithstanding any other provi-
13 sion of law, prior to January 1, 1998, the Secretary of
14 Housing and Urban Development (hereafter in this title
15 referred to as the “Secretary”) shall take such actions as
16 may be necessary to—

17 (1) consolidate the programs administered by
18 the Department of Housing and Urban Development
19 into a block grant program;

20 (2) convert all funding for public and assisted
21 housing under the United States Housing Act of
22 1937 to tenant-based rental assistance;

23 (3) convert the Federal Housing Administration
24 into a government-controlled corporation, which
25 would provide mortgage insurance only to low- and

1 moderate-income persons under risk-sharing agree-
2 ments with private mortgage insurers; and

3 (4) otherwise provide for the complete elimi-
4 nation of the Department of Housing and Urban
5 Development pursuant to section 101.

6 (b) SUBMISSIONS TO CONGRESS.—

7 (1) STRATEGIC PLAN.—Not later than 180 days
8 after the date of enactment of this Act, the Sec-
9 retary shall submit to the Congress a plan to carry
10 out subsection (a), which shall include any rec-
11 ommendations for—

12 (A) legislation necessary to carry out sub-
13 section (a);

14 (B) transfers of functions and activities,
15 including all existing obligations to other exist-
16 ing or successor Federal or State agencies.

17 (2) PRIVATIZATION OF FHA.—Not later than
18 180 days after the date of enactment of this Act, the
19 Secretary shall submit to the Congress a report
20 which shall include—

21 (A) recommendations and a strategic plan
22 for the complete privatization of the Federal
23 Housing Administration; and

24 (B) a description of the projected cost sav-
25 ings to the Federal Government that would be

1 (2) the transfer of the functions of the Depart-
2 ment of Housing and Urban Development to other
3 existing or successor Federal or State agencies.

4 **TITLE II—TRANSFER OF FUNC-**
5 **TIONS AND SAVINGS PROVI-**
6 **SIONS**

7 **SEC. 201. DEFINITIONS.**

8 For purposes of this title, unless otherwise provided
9 or indicated by the context—

10 (1) the term “Federal agency” has the meaning
11 given to the term “agency” by section 551(1) of title
12 5, United States Code;

13 (2) the term “function” means any duty, obli-
14 gation, power, authority, responsibility, right, privi-
15 lege, activity, or program; and

16 (3) the term “office” includes any office, ad-
17 ministration, agency, institute, unit, organizational
18 entity, or component thereof.

19 **SEC. 202. TRANSFER OF FUNCTIONS.**

20 There are transferred to the Department of Justice
21 all functions which the Secretary of Housing and Urban
22 Development exercised before the date of the enactment
23 of this title (including all related functions of any officer
24 or employee of the Department of Housing and Urban De-

1 velopment) relating to the Fair Housing Act or the rights
2 granted under the Fair Housing Act.

3 **SEC. 203. DETERMINATIONS OF CERTAIN FUNCTIONS BY**
4 **THE OFFICE OF MANAGEMENT AND BUDGET.**

5 If necessary, the Office of Management and Budget
6 shall make any determination of the functions that are
7 transferred under section 202.

8 **SEC. 204. PERSONNEL PROVISIONS.**

9 (a) APPOINTMENTS.—The Attorney General may ap-
10 point and fix the compensation of such officers and em-
11 ployees, including investigators, attorneys, and adminis-
12 trative law judges, as may be necessary to carry out the
13 respective functions transferred under this title. Except as
14 otherwise provided by law, such officers and employees
15 shall be appointed in accordance with the civil service laws
16 and their compensation fixed in accordance with title 5,
17 United States Code.

18 (b) EXPERTS AND CONSULTANTS.—The Attorney
19 General may obtain the services of experts and consultants
20 in accordance with section 3109 of title 5, United States
21 Code, and compensate such experts and consultants for
22 each day (including travel time) at rates not in excess of
23 the rate of pay for level IV of the Executive Schedule
24 under section 5315 of such title. The Attorney General
25 may pay experts and consultants who are serving away

1 from their homes or regular place of business travel ex-
2 penses and per diem in lieu of subsistence at rates author-
3 ized by sections 5702 and 5703 of such title for persons
4 in Government service employed intermittently.

5 **SEC. 205. DELEGATION AND ASSIGNMENT.**

6 Except where otherwise expressly prohibited by law
7 or otherwise provided by this title, the Attorney General
8 may delegate any of the functions transferred to the Attor-
9 ney General by this title and any function transferred or
10 granted to such Attorney General after the effective date
11 of this title to such officers and employees of the Depart-
12 ment of Justice as the Attorney General may designate,
13 and may authorize successive redelegations of such func-
14 tions as may be necessary or appropriate. No delegation
15 of functions by the Attorney General under this section
16 or under any other provision of this title shall relieve such
17 Attorney General of responsibility for the administration
18 of such functions.

19 **SEC. 206. REORGANIZATION.**

20 The Attorney General is authorized to allocate or re-
21 allocate any function transferred under section 202 among
22 the officers of the Department of Justice, and to establish,
23 consolidate, alter, or discontinue such organizational enti-
24 ties in the Department of Justice as may be necessary or
25 appropriate.

1 **SEC. 207. RULES.**

2 The Attorney General is authorized to prescribe, in
3 accordance with the provisions of chapters 5 and 6 of title
4 5, United States Code, such rules and regulations as the
5 Attorney General determines necessary or appropriate to
6 administer and manage the functions of Department of
7 Justice.

8 **SEC. 208. TRANSFER AND ALLOCATIONS OF APPROPRIA-**
9 **TIONS AND PERSONNEL.**

10 Except as otherwise provided in this title, the person-
11 nel employed in connection with, and the assets, liabilities,
12 contracts, property, records, and unexpended balances of
13 appropriations, authorizations, allocations, and other
14 funds employed, used, held, arising from, available to, or
15 to be made available in connection with the functions
16 transferred by this title, subject to section 1531 of title
17 31, United States Code, shall be transferred to the De-
18 partment of Justice. Unexpended funds transferred pursu-
19 ant to this section shall be used only for the purposes for
20 which the funds were originally authorized and appro-
21 priated.

22 **SEC. 209. INCIDENTAL TRANSFERS.**

23 The Director of the Office of Management and Budg-
24 et, at such time or times as the Director shall provide,
25 is authorized to make such determinations as may be nec-
26 essary with regard to the functions transferred by this

1 title, and to make such additional incidental dispositions
2 of personnel, assets, liabilities, grants, contracts, property,
3 records, and unexpended balances of appropriations, au-
4 thorizations, allocations, and other funds held, used, aris-
5 ing from, available to, or to be made available in connec-
6 tion with such functions, as may be necessary to carry out
7 the provisions of this title. The Director of the Office of
8 Management and Budget shall provide for the termination
9 of the affairs of all entities terminated by this title and
10 for such further measures and dispositions as may be nec-
11 essary to effectuate the purposes of this title.

12 **SEC. 210. EFFECT ON PERSONNEL.**

13 (a) **IN GENERAL.**—Except as otherwise provided by
14 this title, the transfer pursuant to this title of full-time
15 personnel (except special Government employees) and
16 part-time personnel holding permanent positions shall not
17 cause any such employee to be separated or reduced in
18 grade or compensation for one year after the date of trans-
19 fer of such employee under this title.

20 (b) **EXECUTIVE SCHEDULE POSITIONS.**—Except as
21 otherwise provided in this title, any person who, on the
22 day preceding the effective date of this title, held a posi-
23 tion compensated in accordance with the Executive Sched-
24 ule prescribed in chapter 53 of title 5, United States Code,
25 and who, without a break in service, is appointed in the

1 Department of Justice to a position having duties com-
2 parable to the duties performed immediately preceding
3 such appointment shall continue to be compensated in
4 such new position at not less than the rate provided for
5 such previous position, for the duration of the service of
6 such person in such new position.

7 (c) TERMINATION OF CERTAIN POSITIONS.—Posi-
8 tions whose incumbents are appointed by the President,
9 by and with the advice and consent of the Senate, the
10 functions of which are transferred by this title, shall termi-
11 nate on the effective date of this title.

12 **SEC. 211. SAVINGS PROVISIONS.**

13 (a) CONTINUING EFFECT OF LEGAL DOCUMENTS.—
14 All orders, determinations, rules, regulations, permits,
15 agreements, grants, contracts, certificates, licenses, reg-
16 istrations, privileges, and other administrative actions—

17 (1) which have been issued, made, granted, or
18 allowed to become effective by the President, any
19 Federal agency or official thereof, or by a court of
20 competent jurisdiction, in the performance of func-
21 tions which are transferred under this title, and

22 (2) which are in effect at the time this title
23 takes effect, or were final before the effective date
24 of this title and are to become effective on or after
25 the effective date of this title,

1 shall continue in effect according to their terms until
2 modified, terminated, superseded, set aside, or revoked in
3 accordance with law by the President, the Attorney Gen-
4 eral or other authorized official, a court of competent ju-
5 risdiction, or by operation of law.

6 (b) PROCEEDINGS NOT AFFECTED.—The provisions
7 of this title shall not affect any proceedings, including no-
8 tices of proposed rulemaking, or any application for any
9 license, permit, certificate, or financial assistance pending
10 before the Department of Housing and Urban Develop-
11 ment at the time this title takes effect, with respect to
12 functions transferred by this title but such proceedings
13 and applications shall be continued. Orders shall be issued
14 in such proceedings, appeals shall be taken therefrom, and
15 payments shall be made pursuant to such orders, as if this
16 title had not been enacted, and orders issued in any such
17 proceedings shall continue in effect until modified, termi-
18 nated, superseded, or revoked by a duly authorized official,
19 by a court of competent jurisdiction, or by operation of
20 law. Nothing in this subsection shall be deemed to prohibit
21 the discontinuance or modification of any such proceeding
22 under the same terms and conditions and to the same ex-
23 tent that such proceeding could have been discontinued
24 or modified if this title had not been enacted.

1 (c) SUITS NOT AFFECTED.—The provisions of this
2 title shall not affect suits commenced before the effective
3 date of this title, and in all such suits, proceedings shall
4 be had, appeals taken, and judgments rendered in the
5 same manner and with the same effect as if this title had
6 not been enacted.

7 (d) NONABATEMENT OF ACTIONS.—No suit, action,
8 or other proceeding commenced by or against the Depart-
9 ment of Housing and Urban Development, or by or
10 against any individual in the official capacity of such indi-
11 vidual as an officer of the Department of Housing and
12 Urban Development, shall abate by reason of the enact-
13 ment of this title.

14 (e) ADMINISTRATIVE ACTIONS RELATING TO PRO-
15 MULGATION OF REGULATIONS.—Any administrative ac-
16 tion relating to the preparation or promulgation of a regu-
17 lation by the Department of Housing and Urban Develop-
18 ment relating to a function transferred under this title
19 may be continued by the Department of Justice with the
20 same effect as if this title had not been enacted.

21 **SEC. 212. SEPARABILITY.**

22 If a provision of this title or its application to any
23 person or circumstance is held invalid, neither the remain-
24 der of this title nor the application of the provision to
25 other persons or circumstances shall be affected.

1 **SEC. 213. TRANSITION.**

2 The Attorney General is authorized to utilize—

3 (1) the services of such officers, employees, and
4 other personnel of the Department of Housing and
5 Urban Development with respect to functions trans-
6 ferred to the Department of Justice by this title;
7 and

8 (2) funds appropriated to such functions for
9 such period of time as may reasonably be needed to
10 facilitate the orderly implementation of this title.

11 **SEC. 214. REFERENCES.**

12 Reference in any other Federal law, Executive order,
13 rule, regulation, or delegation of authority, or any docu-
14 ment of or relating to—

15 (1) the Secretary of Housing and Urban Devel-
16 opment with regard to functions transferred under
17 section 202, shall be deemed to refer to the Attorney
18 General; and

19 (2) the Department of Housing and Urban De-
20 velopment with regard to functions transferred
21 under section 202, shall be deemed to refer to the
22 Department of Justice.

23 **SEC. 215. ADDITIONAL CONFORMING AMENDMENTS.**

24 (a) RECOMMENDED LEGISLATION.—After consulta-
25 tion with the appropriate committees of the Congress and
26 the Director of the Office of Management and Budget, the

1 Attorney General shall prepare and submit to the Con-
2 gress recommended legislation containing technical and
3 conforming amendments to reflect the changes made by
4 this title.

5 (b) SUBMISSION TO THE CONGRESS.—No later than
6 6 months after the effective date of this title, the Attorney
7 General shall submit the recommended legislation referred
8 to under subsection (a).

9 **SEC. 216. EFFECTIVE DATE.**

10 This title shall take effect 180 days after the date
11 of enactment of this Act.

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