

In the House of Representatives, U. S.,

October 24, 2000.

Resolved, That the bill from the Senate (S. 1452) entitled “An Act to modernize the requirements under the National Manufactured Housing Construction and Safety Standards Act of 1974 and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes”, do pass with the following

AMENDMENTS:

Strike out all after the enacting clause and insert:

1 ***SEC. 1. SHORT TITLE AND TABLE OF CONTENTS.***

2 (a) *SHORT TITLE.*—*This Act may be cited as the*
3 *“American Homeownership and Economic Opportunity*
4 *Act of 2000”.*

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

Sec. 1. Short title and table of contents.

Sec. 2. Findings and purpose.

TITLE I—REMOVAL OF BARRIERS TO HOUSING AFFORDABILITY

Sec. 101. Short title.

Sec. 102. Grants for regulatory barrier removal strategies.

Sec. 103. Regulatory barriers clearinghouse.

TITLE II—HOMEOWNERSHIP FOR WORKING FAMILIES

- Sec. 201. Reduced downpayment requirements for loans for teachers, public safety officers, and other uniformed municipal employees.*
Sec. 202. Home equity conversion mortgages.
Sec. 203. Law enforcement officer homeownership pilot program.
Sec. 204. Assistance for self-help housing providers.

TITLE III—SECTION 8 HOMEOWNERSHIP OPTION

- Sec. 301. Downpayment assistance.*
Sec. 302. Pilot program for homeownership assistance for disabled families.
Sec. 303. Funding for pilot programs.

TITLE IV—PRIVATE MORTGAGE INSURANCE CANCELLATION AND TERMINATION

- Sec. 401. Short title.*
Sec. 402. Changes in amortization schedule.
Sec. 403. Deletion of ambiguous references to residential mortgages.
Sec. 404. Cancellation rights after cancellation date.
Sec. 405. Clarification of cancellation and termination issues and lender paid mortgage insurance disclosure requirements.
Sec. 406. Definitions.

TITLE V—NATIVE AMERICAN HOMEOWNERSHIP

Subtitle A—Native American Housing

- Sec. 501. Lands title report commission.*
Sec. 502. Loan guarantees.
Sec. 503. Native American housing assistance.

Subtitle B—Native Hawaiian Housing

- Sec. 511. Short title.*
Sec. 512. Findings.
Sec. 513. Housing assistance.
Sec. 514. Loan guarantees.

TITLE VI—MANUFACTURED HOUSING IMPROVEMENT

- Sec. 601. Short title; references.*
Sec. 602. Findings and purposes.
Sec. 603. Definitions.
Sec. 604. Federal manufactured home construction and safety standards.
Sec. 605. Abolishment of National Manufactured Home Advisory Council; manufactured home installation.
Sec. 606. Public information.
Sec. 607. Research, testing, development, and training.
Sec. 608. Prohibited acts.
Sec. 609. Fees.
Sec. 610. Dispute resolution.
Sec. 611. Elimination of annual reporting requirement.
Sec. 612. Effective date.
Sec. 613. Savings provisions.

TITLE VII—RURAL HOUSING HOMEOWNERSHIP.

- Sec. 701. Guarantees for refinancing of rural housing loans.*
Sec. 702. Promissory note requirement under housing repair loan program.
Sec. 703. Limited partnership eligibility for farm labor housing loans.
Sec. 704. Project accounting records and practices.
Sec. 705. Definition of rural area.
Sec. 706. Operating assistance for migrant farmworkers projects.
Sec. 707. Multifamily rental housing loan guarantee program.
Sec. 708. Enforcement provisions.
Sec. 709. Amendments to title 18 of United States Code.

TITLE VIII—HOUSING FOR ELDERLY AND DISABLED FAMILIES

- Sec. 801. Short title.*
Sec. 802. Regulations.
Sec. 803. Effective date.

Subtitle A—Refinancing for Section 202 Supportive Housing for the Elderly

- Sec. 811. Prepayment and refinancing.*

Subtitle B—Authorization of Appropriations for Supportive Housing for the Elderly and Persons With Disabilities

- Sec. 821. Supportive housing for elderly persons.*
Sec. 822. Supportive housing for persons with disabilities.
Sec. 823. Service coordinators and congregate services for elderly and disabled housing.

Subtitle C—Expanding Housing Opportunities for the Elderly and Persons With Disabilities

PART 1—HOUSING FOR THE ELDERLY

- Sec. 831. Eligibility of for-profit limited partnerships.*
Sec. 832. Mixed funding sources.
Sec. 833. Authority to acquire structures.
Sec. 834. Use of project reserves.
Sec. 835. Commercial activities.

PART 2—HOUSING FOR PERSONS WITH DISABILITIES

- Sec. 841. Eligibility of for-profit limited partnerships.*
Sec. 842. Mixed funding sources.
Sec. 843. Tenant-based assistance.
Sec. 844. Use of project reserves.
Sec. 845. Commercial activities.

PART 3—OTHER PROVISIONS

- Sec. 851. Service coordinators.*

Subtitle D—Preservation of Affordable Housing Stock

- Sec. 861. Section 236 assistance.*

Subtitle E—Mortgage Insurance for Health Care Facilities

- Sec. 871. Rehabilitation of existing hospitals, nursing homes, and other facilities.*
Sec. 872. New integrated service facilities.
Sec. 873. Hospitals and hospital-based integrated service facilities.

TITLE IX—OTHER RELATED HOUSING PROVISIONS

- Sec. 901. Extension of loan term for manufactured home lots.*
Sec. 902. Use of section 8 vouchers for opt-outs.
Sec. 903. Maximum payment standard for enhanced vouchers.
Sec. 904. Use of section 8 assistance by “grand-families” to rent dwelling units in assisted projects.

TITLE X—BANKING AND HOUSING AGENCY REPORTS

- Sec. 1001. Short title.*
Sec. 1002. Amendments to the Federal Reserve Act.
Sec. 1003. Preservation of certain reporting requirements.
Sec. 1004. Coordination of reporting requirements.
Sec. 1005. Elimination of certain reporting requirements.

TITLE XI—NUMISMATIC COINS

- Sec. 1101. Short title.*
Sec. 1102. Clarification of Mint’s authority.
Sec. 1103. Additional report requirement.

TITLE XII—FINANCIAL REGULATORY RELIEF

- Sec. 1200. Short title.*

Subtitle A—Improving Monetary Policy and Financial Institution Management Practices

- Sec. 1201. Repeal of savings association liquidity provision.*
Sec. 1202. Noncontrolling investments by savings association holding companies.
Sec. 1203. Repeal of deposit broker notification and recordkeeping requirement.
Sec. 1204. Expedited procedures for certain reorganizations.
Sec. 1205. National bank directors.
Sec. 1206. Amendment to National Bank Consolidation and Merger Act.
Sec. 1207. Loans on or purchases by institutions of their own stock; affiliations.
Sec. 1208. Purchased mortgage servicing rights.

Subtitle B—Streamlining Activities of Institutions

- Sec. 1211. Call report simplification.*

Subtitle C—Streamlining Agency Actions

- Sec. 1221. Elimination of duplicative disclosure of fair market value of assets and liabilities.*
Sec. 1222. Payment of interest in receiverships with surplus funds.
Sec. 1223. Repeal of reporting requirement on differences in accounting standards.
Sec. 1224. Agency review of competitive factors in Bank Merger Act filings.

*Subtitle D—Miscellaneous**Sec. 1231. Federal Reserve Board buildings.**Sec. 1232. Positions of Board of Governors of Federal Reserve System on the Executive Schedule.**Sec. 1233. Extension of time.**Subtitle E—Technical Corrections**Sec. 1241. Technical correction relating to deposit insurance funds.**Sec. 1242. Rules for continuation of deposit insurance for member banks converting charters.**Sec. 1243. Amendments to the Revised Statutes of the United States.**Sec. 1244. Conforming change to the International Banking Act of 1978.***1 SEC. 2. FINDINGS AND PURPOSE.****2 (a) FINDINGS.—***The Congress finds that—***3 (1) the priorities of our Nation should include**
4 expanding homeownership opportunities by providing
5 access to affordable housing that is safe, clean, and
6 healthy;**7 (2) our Nation has an abundance of conventional**
8 capital sources available for homeownership financ-
9 ing;**10 (3) experience with local homeownership pro-**
11 grams has shown that if flexible capital sources are
12 available, communities possess ample will and cre-
13 ativity to provide opportunities uniquely designed to
14 assist their citizens in realizing the American dream
15 of homeownership; and**16 (4) each consumer should be afforded every rea-**
17 sonable opportunity to access mortgage credit, to ob-
18 tain the lowest cost mortgages for which the consumer
19 can qualify, to know the true cost of the mortgage, to

1 *be free of regulatory burdens, and to know what fac-*
 2 *tors underlie a lender’s decision regarding the con-*
 3 *sumer’s mortgage.*

4 *(b) PURPOSE.—It is the purpose of this Act—*

5 *(1) to encourage and facilitate homeownership by*
 6 *families in the United States who are not otherwise*
 7 *able to afford homeownership; and*

8 *(2) to expand homeownership through policies*
 9 *that—*

10 *(A) promote the ability of the private sector*
 11 *to produce affordable housing without excessive*
 12 *government regulation;*

13 *(B) encourage tax incentives, such as the*
 14 *mortgage interest deduction, at all levels of gov-*
 15 *ernment; and*

16 *(C) facilitate the availability of flexible cap-*
 17 *ital for homeownership opportunities and pro-*
 18 *vide local governments with increased flexibility*
 19 *under existing Federal programs to facilitate*
 20 *homeownership.*

21 ***TITLE I—REMOVAL OF BARRIERS***
 22 ***TO HOUSING AFFORDABILITY***

23 ***SEC. 101. SHORT TITLE.***

24 *This title may be cited as the “Housing Affordability*
 25 *Barrier Removal Act of 2000”.*

1 **SEC. 102. GRANTS FOR REGULATORY BARRIER REMOVAL**
 2 **STRATEGIES.**

3 (a) *AUTHORIZATION OF APPROPRIATIONS.*—Sub-
 4 section (a) of section 1204 of the *Housing and Community*
 5 *Development Act of 1992* (42 U.S.C. 12705c(a)) is amended
 6 to read as follows:

7 “(a) *FUNDING.*—There is authorized to be appro-
 8 priated for grants under subsections (b) and (c) such sums
 9 as may be necessary for each of fiscal years 2001, 2002,
 10 2003, 2004, and 2005.”.

11 (b) *CONSOLIDATION OF STATE AND LOCAL GRANTS.*—
 12 Subsection (b) of section 1204 of the *Housing and Commu-*
 13 *nity Development Act of 1992* (42 U.S.C. 12705c(b)) is
 14 amended—

15 (1) in the subsection heading, by striking
 16 “*STATE GRANTS*” and inserting “*GRANT AUTHOR-*
 17 *ITY*”;

18 (2) in the matter preceding paragraph (1), by
 19 inserting after “*States*” the following: “and units of
 20 general local government (including consortia of such
 21 governments)”;

22 (3) in paragraph (3), by striking “a State pro-
 23 gram to reduce State and local” and inserting “State,
 24 local, or regional programs to reduce”;

25 (4) in paragraph (4), by inserting “or local”
 26 after “State”; and

1 (5) in paragraph (5), by striking “State”.

2 (c) *REPEAL OF LOCAL GRANTS PROVISION.*—Section
3 1204 of the *Housing and Community Development Act of*
4 *1992 (42 U.S.C. 12705c)* is amended by striking subsection
5 (c).

6 (d) *APPLICATION AND SELECTION.*—The last sentence
7 of section 1204(e) of the *Housing and Community Develop-*
8 *ment Act of 1992 (42 U.S.C. 12705c(e))* is amended—

9 (1) by striking “and for the selection of units of
10 general local government to receive grants under sub-

11 section (f)(2)”; and
12 (2) by inserting before the period at the end the
13 following: “and such criteria shall require that grant
14 amounts be used in a manner consistent with the
15 strategy contained in the comprehensive housing af-
16 fordability strategy for the jurisdiction pursuant to
17 section 105(b)(4) of the *Cranston-Gonzalez National*
18 *Affordable Housing Act*”.

19 (e) *SELECTION OF GRANTEES.*—Subsection (f) of sec-
20 tion 1204 of the *Housing and Community Development Act*
21 of 1992 (42 U.S.C. 12705c(f)) is amended to read as follows:

22 “(f) *SELECTION OF GRANTEES.*—To the extent
23 amounts are made available to carry out this section, the
24 Secretary shall provide grants on a competitive basis to eli-

1 *gible grantees based on the proposed uses of such amounts,*
 2 *as provided in applications under subsection (e).”.*

3 (f) *TECHNICAL AMENDMENTS.—Section 107(a)(1) of*
 4 *the Housing and Community Development Act of 1974 (42*
 5 *U.S.C. 5307(a)(1)) is amended—*

6 (1) *in subparagraph (G), by inserting “and”*
 7 *after the semicolon at the end;*

8 (2) *by striking subparagraph (H); and*

9 (3) *by redesignating subparagraph (I) as sub-*
 10 *paragraph (H).*

11 **SEC. 103. REGULATORY BARRIERS CLEARINGHOUSE.**

12 *Section 1205 of the Housing and Community Develop-*
 13 *ment Act of 1992 (42 U.S.C. 12705d) is amended—*

14 (1) *in subsection (a)—*

15 (A) *in the matter preceding paragraph (1),*
 16 *by striking “receive, collect, process, and assem-*
 17 *ble” and inserting “serve as a national reposi-*
 18 *tory to receive, collect, process, assemble, and dis-*
 19 *seminate”;*

20 (B) *in paragraph (1)—*

21 (i) *by striking “, including” and in-*
 22 *serting “(including”;* and

23 (ii) *by inserting before the semicolon at*
 24 *the end the following: “), and the prevalence*

1 *and effects on affordable housing of such*
2 *laws, regulations, and policies”;*

3 *(C) in paragraph (2), by inserting before*
4 *the semicolon the following: “, including particu-*
5 *larly innovative or successful activities, strate-*
6 *gies, and plans”;* and

7 *(D) in paragraph (3), by inserting before*
8 *the period at the end the following: “, including*
9 *particularly innovative or successful strategies,*
10 *activities, and plans”;*

11 *(2) in subsection (b)—*

12 *(A) in paragraph (1), by striking “and” at*
13 *the end;*

14 *(B) in paragraph (2), by striking the period*
15 *at the end and inserting “; and”;* and

16 *(C) by adding at the end the following new*
17 *paragraph:*

18 *“(3) by making available through a World Wide*
19 *Web site of the Department, by electronic mail, or*
20 *otherwise, provide to each housing agency of a unit*
21 *of general local government that serves an area hav-*
22 *ing a population greater than 100,000, an index of*
23 *all State and local strategies and plans submitted*
24 *under subsection (a) to the clearinghouse, which—*

1 “(A) shall describe the types of barriers to
2 affordable housing that the strategy or plan was
3 designed to ameliorate or remove; and

4 “(B) shall, not later than 30 days after sub-
5 mission to the clearinghouse of any new strategy
6 or plan, be updated to include the new strategy
7 or plan submitted.”; and

8 (3) by adding at the end the following new sub-
9 sections:

10 “(c) ORGANIZATION.—The clearinghouse under this
11 section shall be established within the Office of Policy Devel-
12 opment of the Department of Housing and Urban Develop-
13 ment and shall be under the direction of the Assistant Sec-
14 retary for Policy Development and Research.

15 “(d) TIMING.—The clearinghouse under this section
16 (as amended by section ____09 of the Housing Affordability
17 Barrier Removal Act of 2000) shall be established and com-
18 mence carrying out the functions of the clearinghouse under
19 this section not later than 1 year after the date of the enact-
20 ment of such Act. The Secretary of Housing and Urban De-
21 velopment may comply with the requirements under this
22 section by reestablishing the clearinghouse that was origi-
23 nally established to comply with this section and updating
24 and improving such clearinghouse to the extent necessary

1 *to comply with the requirements of this section as in effect*
 2 *pursuant to the enactment of such Act.”.*

3 **TITLE II—HOMEOWNERSHIP FOR**
 4 **WORKING FAMILIES**

5 **SEC. 201. REDUCED DOWNPAYMENT REQUIREMENTS FOR**
 6 **LOANS FOR TEACHERS, PUBLIC SAFETY OFFI-**
 7 **CERS, AND OTHER UNIFORMED MUNICIPAL**
 8 **EMPLOYEES.**

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

12 *“(11) REDUCED DOWNPAYMENT REQUIREMENTS*
 13 *FOR TEACHERS AND UNIFORMED MUNICIPAL EMPLOY-*
 14 *EES.—*

15 *“(A) IN GENERAL.—Notwithstanding para-*
 16 *graph (2), in the case of a mortgage described in*
 17 *subparagraph (B)—*

18 *“(i) the mortgage shall involve a prin-*
 19 *cipal obligation in an amount that does not*
 20 *exceed the sum of 99 percent of the ap-*
 21 *praised value of the property and the total*
 22 *amount of initial service charges, appraisal,*
 23 *inspection, and other fees (as the Secretary*
 24 *shall approve) paid in connection with the*
 25 *mortgage;*

1 “(ii) no other provision of this sub-
2 section limiting the principal obligation of
3 the mortgage based upon a percentage of the
4 appraised value of the property subject to
5 the mortgage shall apply; and

6 “(iii) the matter in paragraph (9) that
7 precedes the first proviso shall not apply
8 and the mortgage shall be executed by a
9 mortgagor who shall have paid on account
10 of the property at least 1 percent of the cost
11 of acquisition (as determined by the Sec-
12 retary) in cash or its equivalent.

13 “(B) *MORTGAGES COVERED.*—A mortgage
14 described in this subparagraph is a mortgage—

15 “(i) under which the mortgagor is an
16 individual who—

17 “(I) is employed on a part- or
18 full-time basis as: (aa) a teacher or ad-
19 ministrator in a public or private
20 school that provides elementary or sec-
21 ondary education, as determined under
22 State law, except that elementary edu-
23 cation shall include pre-Kindergarten
24 education, and except that secondary
25 education shall not include any edu-

1 *cation beyond grade 12; (bb) a public*
2 *safety officer (as such term is defined*
3 *in section 1204 of the Omnibus Crime*
4 *Control and Safe Streets Act of 1968*
5 *(42 U.S.C. 3796b), except that such*
6 *term shall not include any officer serv-*
7 *ing a public agency of the Federal*
8 *Government); or (cc) a uniformed em-*
9 *ployee of a unit of general local gov-*
10 *ernment, including sanitation and*
11 *other maintenance workers; and*

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

18 “(ii) made for a property that is lo-
19 *cated within the jurisdiction of—*

20 “(I) in the case of a mortgage of
21 *a mortgagor described in clause*
22 *(i)(I)(aa), the local educational agency*
23 *(as such term is defined in section*
24 *14101 of the Elementary and Sec-*
25 *ondary Education Act of 1965 (20*

1 *U.S.C. 8801)) for the school in which*
2 *the mortgagor is employed (or, in the*
3 *case of a mortgagor employed in a pri-*
4 *vate school, the local educational agen-*
5 *cy having jurisdiction for the area in*
6 *which the private school is located);*

7 *“(II) in the case of a mortgage of*
8 *a mortgagor described in clause*
9 *(i)(I)(bb), the jurisdiction served by the*
10 *public law enforcement agency, fire-*
11 *fighting agency, or rescue or ambu-*
12 *lance agency that employs the mort-*
13 *gagor; or*

14 *“(III) in the case of a mortgage of*
15 *a mortgagor described in clause*
16 *(i)(I)(cc), the unit of general local gov-*
17 *ernment that employs the mortgagor;*
18 *and*

19 *“(iii) that is closed on or before Sep-*
20 *tember 30, 2003.”.*

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

24 ***(1) in paragraph (2), in the matter preceding***
25 ***subparagraph (A), by striking “Notwithstanding”***

1 and inserting “Except as provided in paragraph (3)
2 and notwithstanding”; and

3 (2) by adding at the end the following new para-
4 graph:

5 “(3) *DEFERRAL AND REDUCTION OF UP-FRONT PRE-*
6 *MIUM.—In the case of any mortgage described in subsection*
7 *(b)(11)(B):*

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

11 “(B) If, at any time during the 5-year period be-
12 ginning on the date of the insurance of the mortgage,
13 the mortgagor ceases to be employed as described in
14 subsection (b)(11)(B)(i)(I) or pays the principal obli-
15 gation of the mortgage in full, the Secretary shall at
16 such time collect a single premium payment in an
17 amount equal to the amount of the single premium
18 payment that, but for this paragraph, would have
19 been required under paragraph (2)(A) of this sub-
20 section with respect to the mortgage, as reduced by 20
21 percent of such amount for each successive 12-month
22 period completed during such 5-year period before
23 such cessation or prepayment occurs.”.

1 **SEC. 202. HOME EQUITY CONVERSION MORTGAGES.**

2 (a) *INSURANCE FOR MORTGAGES TO REFINANCE EX-*
 3 *ISTING HECMS.*—

4 (1) *IN GENERAL.*—*Section 255 of the National*
 5 *Housing Act (12 U.S.C. 1715z–20) is amended—*

6 (A) *by redesignating subsection (k) as sub-*
 7 *section (m); and*

8 (B) *by inserting after subsection (j) the fol-*
 9 *lowing new subsection:*

10 “(k) *INSURANCE AUTHORITY FOR REFINANCINGS.*—

11 “(1) *IN GENERAL.*—*The Secretary may, upon*
 12 *application by a mortgagee, insure under this sub-*
 13 *section any mortgage given to refinance an existing*
 14 *home equity conversion mortgage insured under this*
 15 *section.*

16 “(2) *ANTI-CHURNING DISCLOSURE.*—*The Sec-*
 17 *retary shall, by regulation, require that the mortgagee*
 18 *of a mortgage insured under this subsection, provide*
 19 *to the mortgagor, within an appropriate time period*
 20 *and in a manner established in such regulations, a*
 21 *good faith estimate of: (A) the total cost of the refi-*
 22 *nancing; and (B) the increase in the mortgagor’s*
 23 *principal limit as measured by the estimated initial*
 24 *principal limit on the mortgage to be insured under*
 25 *this subsection less the current principal limit on the*

1 *home equity conversion mortgage that is being refi-*
2 *nanced and insured under this subsection.*

3 “(3) *WAIVER OF COUNSELING REQUIREMENT.—*
4 *The mortgagor under a mortgage insured under this*
5 *subsection may waive the applicability, with respect*
6 *to such mortgage, of the requirements under sub-*
7 *section (d)(2)(B) (relating to third party counseling),*
8 *but only if—*

9 “(A) *the mortgagor has received the disclo-*
10 *sure required under paragraph (2);*

11 “(B) *the increase in the principal limit de-*
12 *scribed in paragraph (2) exceeds the amount of*
13 *the total cost of refinancing (as described in such*
14 *paragraph) by an amount to be determined by*
15 *the Secretary; and*

16 “(C) *the time between the closing of the*
17 *original home equity conversion mortgage that is*
18 *refinanced through the mortgage insured under*
19 *this subsection and the application for a refi-*
20 *nancing mortgage insured under this subsection*
21 *does not exceed 5 years.*

22 “(4) *CREDIT FOR PREMIUMS PAID.—Notwith-*
23 *standing section 203(c)(2)(A), the Secretary may re-*
24 *duce the amount of the single premium payment oth-*
25 *erwise collected under such section at the time of the*

1 *insurance of a mortgage refinanced and insured*
2 *under this subsection. The amount of the single pre-*
3 *mium for mortgages refinanced under this subsection*
4 *shall be determined by the Secretary based on the ac-*
5 *tuarial study required under paragraph (5).*

6 “(5) *ACTUARIAL STUDY.*—Not later than 180
7 *days after the date of the enactment of the American*
8 *Homeownership and Economic Opportunity Act of*
9 *2000, the Secretary shall conduct an actuarial anal-*
10 *ysis to determine the adequacy of the insurance pre-*
11 *miums collected under the program under this sub-*
12 *section with respect to—*

13 “(A) *a reduction in the single premium*
14 *payment collected at the time of the insurance of*
15 *a mortgage refinanced and insured under this*
16 *subsection;*

17 “(B) *the establishment of a single national*
18 *limit on the benefits of insurance under sub-*
19 *section (g) (relating to limitation on insurance*
20 *authority); and*

21 “(C) *the combined effect of reduced insur-*
22 *ance premiums and a single national limitation*
23 *on insurance authority.*

24 “(6) *FEEES.*—The Secretary may establish a limit
25 *on the origination fee that may be charged to a mort-*

1 *gagor under a mortgage insured under this sub-*
 2 *section, except that such limitation shall provide that*
 3 *the origination fee may be fully financed with the*
 4 *mortgage and shall include any fees paid to cor-*
 5 *respondent mortgagees approved by the Secretary.”.*

6 (2) *REGULATIONS.*—*The Secretary shall issue*
 7 *any final regulations necessary to implement the*
 8 *amendments made by paragraph (1) of this sub-*
 9 *section, which shall take effect not later than the expi-*
 10 *ration of the 180-day period beginning on the date of*
 11 *the enactment of this Act. The regulations shall be*
 12 *issued after notice and opportunity for public com-*
 13 *ment in accordance with the procedure under section*
 14 *553 of title 5, United States Code, applicable to sub-*
 15 *stantive rules (notwithstanding subsections (a)(2),*
 16 *(b)(B), and (d)(3) of such section).*

17 (b) *HOUSING COOPERATIVES.*—*Section 255(b) of the*
 18 *National Housing Act (12 U.S.C. 1715z–20(b)) is*
 19 *amended—*

20 (1) *in paragraph (2), by striking “‘mortgage’;”;*
 21 *and*

22 (2) *by adding at the end the following new para-*
 23 *graphs:*

24 “(4) *MORTGAGE.*—*The term ‘mortgage’ means a*
 25 *first mortgage or first lien on real estate, in fee sim-*

1 *ple, on all stock allocated to a dwelling in a residen-*
 2 *tial cooperative housing corporation, or on a*
 3 *leasehold—*

4 *“(A) under a lease for not less than 99*
 5 *years that is renewable; or*

6 *“(B) under a lease having a period of not*
 7 *less than 10 years to run beyond the maturity*
 8 *date of the mortgage.*

9 *“(5) FIRST MORTGAGE.—The term ‘first mort-*
 10 *gage’ means such classes of first liens as are com-*
 11 *monly given to secure advances on, or the unpaid*
 12 *purchase price of, real estate or all stock allocated to*
 13 *a dwelling unit in a residential cooperative housing*
 14 *corporation, under the laws of the State in which the*
 15 *real estate or dwelling unit is located, together with*
 16 *the credit instruments, if any, secured thereby.”.*

17 *(c) WAIVER OF UP-FRONT PREMIUMS FOR MORT-*
 18 *GAGES USED TO FUND LONG-TERM CARE INSURANCE.—*

19 *(1) IN GENERAL.—Section 255 of the National*
 20 *Housing Act (12 U.S.C. 1715z–20) is amended by in-*
 21 *serting after subsection (k) (as added by subsection*
 22 *(a) of this section) the following new subsection:*

23 *“(l) WAIVER OF UP-FRONT PREMIUMS FOR MORT-*
 24 *GAGES TO FUND LONG-TERM CARE INSURANCE.—*

1 “(1) *IN GENERAL.*—*In the case of any mortgage*
2 *insured under this section under which the total*
3 *amount (except as provided in paragraph (2)) of all*
4 *future payments described in subsection (b)(3) will be*
5 *used only for costs of a qualified long-term care insur-*
6 *ance contract that covers the mortgagor or members*
7 *of the household residing in the property that is sub-*
8 *ject to the mortgage, notwithstanding section*
9 *203(c)(2), the Secretary shall not charge or collect the*
10 *single premium payment otherwise required under*
11 *subparagraph (A) of such section to be paid at the*
12 *time of insurance.*

13 “(2) *AUTHORITY TO REFINANCE EXISTING*
14 *MORTGAGE AND FINANCE CLOSING COSTS.*—*A mort-*
15 *gage described in paragraph (1) may provide financ-*
16 *ing of amounts that are used to satisfy outstanding*
17 *mortgage obligations (in accordance with such limita-*
18 *tions as the Secretary shall prescribe) and any*
19 *amounts used for initial service charges, appraisal,*
20 *inspection, and other fees (as approved by the Sec-*
21 *retary) in connection with such mortgage, and the*
22 *amount of future payments described in subsection*
23 *(b)(3) under the mortgage shall be reduced accord-*
24 *ingly.*

1 “(3) *DEFINITION.*—For purposes of this sub-
 2 section, the term ‘qualified long-term care insurance
 3 contract’ has the meaning given such term in section
 4 7702B of the Internal Revenue Code of 1986 (26
 5 U.S.C. 7702B)), except that such contract shall also
 6 meet the requirements of—

7 “(A) sections 9 (relating to disclosure), 24
 8 (relating to suitability), and 26 (relating to con-
 9 tingent nonforfeiture) of the long-term care in-
 10 surance model regulation promulgated by the
 11 National Association of Insurance Commis-
 12 sioners (as adopted as of September 2000); and

13 “(B) section 8 (relating to contingent non-
 14 forfeiture) of the long-term care insurance model
 15 Act promulgated by the National Association of
 16 Insurance Commissioners (as adopted as of Sep-
 17 tember 2000).”.

18 (2) *APPLICABILITY.*—The provisions of section
 19 255(l) of the National Housing Act (as added by
 20 paragraph (1) of this subsection) shall apply only to
 21 mortgages closed on or after April 1, 2001.

22 (d) *STUDY OF SINGLE NATIONAL MORTGAGE LIMIT.*—
 23 The Secretary of Housing and Urban Development shall
 24 conduct an actuarially based study of the effects of estab-
 25 lishing, for mortgages insured under section 255 of the Na-

1 *tional Housing Act (12 U.S.C. 1715z–20), a single max-*
2 *imum mortgage amount limitation in lieu of applicability*
3 *of section 203(b)(2) of such Act (12 U.S.C. 1709(b)(2)). The*
4 *study shall—*

5 (1) *examine the effects of establishing such limi-*
6 *tation at different dollar amounts; and*

7 (2) *examine the effects of such various limita-*
8 *tions on—*

9 (A) *the risks to the General Insurance Fund*
10 *established under section 519 of such Act;*

11 (B) *the mortgage insurance premiums that*
12 *would be required to be charged to mortgagors to*
13 *ensure actuarial soundness of such Fund; and*

14 (C) *take into consideration the various ap-*
15 *proaches to providing credit to borrowers who re-*
16 *finance home equity conversion mortgages in-*
17 *sured under section 255 of such Act.*

18 *Not later than 180 days after the date of the enactment of*
19 *this Act, the Secretary shall complete the study under this*
20 *subsection and submit a report describing the study and*
21 *the results of the study to the Committee on Banking and*
22 *Financial Services of the House of Representatives and to*
23 *the Committee on Banking, Housing, and Urban Affairs*
24 *of the Senate.*

1 **SEC. 203. LAW ENFORCEMENT OFFICER HOMEOWNERSHIP**
2 **PILOT PROGRAM.**

3 (a) *ASSISTANCE FOR LAW ENFORCEMENT OFFI-*
4 *CERS.—The Secretary of Housing and Urban Development*
5 *shall carry out a pilot program in accordance with this*
6 *section to assist Federal, State, and local law enforcement*
7 *officers purchasing homes in locally-designated high-crime*
8 *areas.*

9 (b) *ELIGIBILITY.—To be eligible for assistance under*
10 *this section, a law enforcement officer shall—*

11 (1) *have completed not less than 6 months of*
12 *service as a law enforcement officer as of the date that*
13 *the law enforcement officer applies for such assistance;*
14 *and*

15 (2) *agree, in writing, to use the residence pur-*
16 *chased with such assistance as the primary residence*
17 *of the law enforcement officer for not less than 3 years*
18 *after the date of purchase.*

19 (c) *MORTGAGE ASSISTANCE.—If a law enforcement of-*
20 *ficer purchases a home in locally-designated high-crime*
21 *area and finances such purchase through a mortgage in-*
22 *sured under title II of the National Housing Act (12 U.S.C.*
23 *1707 et seq.), notwithstanding any provision of section 203*
24 *or any other provision of the National Housing Act, the*
25 *following shall apply:*

26 (1) *DOWNPAYMENT.—*

1 (A) *IN GENERAL.*—*There shall be no down-*
 2 *payment required if the purchase price of the*
 3 *property is not more than the reasonable value*
 4 *of the property, as determined by the Secretary.*

5 (B) *PURCHASE PRICE EXCEEDS VALUE.*—*If*
 6 *the purchase price of the property exceeds the*
 7 *reasonable value of the property, as determined*
 8 *by the Secretary, the required downpayment*
 9 *shall be the difference between such reasonable*
 10 *value and the purchase price.*

11 (2) *CLOSING COSTS.*—*The closing costs and*
 12 *origination fee for such mortgage may be included in*
 13 *the loan amount.*

14 (3) *INSURANCE PREMIUM PAYMENT.*—*There shall*
 15 *be one insurance premium payment due on the mort-*
 16 *gage. Such insurance premium payment—*

17 (A) *shall be equal to 1 percent of the loan*
 18 *amount;*

19 (B) *shall be due and considered earned by*
 20 *the Secretary at the time of the loan closing; and*

21 (C) *may be included in the loan amount*
 22 *and paid from the loan proceeds.*

23 (d) *LOCALLY-DESIGNATED HIGH-CRIME AREA.*—

24 (1) *IN GENERAL.*—*Any unit of local government*
 25 *may request that the Secretary designate any area*

1 *within the jurisdiction of that unit of local govern-*
2 *ment as a locally-designated high-crime area for pur-*
3 *poses of this section if the proposed area—*

4 *(A) has a crime rate that is significantly*
5 *higher than the crime rate of the non-designated*
6 *area that is within the jurisdiction of the unit*
7 *of local government; and*

8 *(B) has a population that is not more than*
9 *25 percent of the total population of area within*
10 *the jurisdiction of the unit of local government.*

11 *(2) DEADLINE FOR CONSIDERATION OF RE-*
12 *QUEST.—Not later than 60 days after receiving a re-*
13 *quest under paragraph (1), the Secretary shall ap-*
14 *prove or disapprove the request.*

15 *(e) LAW ENFORCEMENT OFFICER.—For purposes of*
16 *this section, the term “law enforcement officer” has such*
17 *meaning as the Secretary shall provide, except that such*
18 *term shall include any individual who is employed as an*
19 *officer in a correctional institution.*

20 *(f) SUNSET.—The Secretary shall not approve any ap-*
21 *plication for assistance under this section that is received*
22 *by the Secretary after the expiration of the 3-year period*
23 *beginning on the date that the Secretary first makes avail-*
24 *able assistance under the pilot program under this section.*

1 **SEC. 204. ASSISTANCE FOR SELF-HELP HOUSING PRO-**
 2 **VIDERS.**

3 (a) *REAUTHORIZATION.*—Subsection (p) of section 11
 4 of the *Housing Opportunity Program Extension Act of*
 5 *1996 (42 U.S.C. 12805 note)* is amended to read as follows:

6 “(p) *AUTHORIZATION OF APPROPRIATIONS.*—There is
 7 authorized to be appropriated to carry out this section such
 8 sums as may be necessary for each of fiscal years 2001,
 9 2002, and 2003.”.

10 (b) *ELIGIBLE EXPENSES.*—Section 11(d)(2)(A) of the
 11 *Housing Opportunity Program Extension Act of 1996 (42*
 12 *U.S.C. 12805 note)* is amended by inserting before the pe-
 13 riod at the end the following: “, which may include reim-
 14 bursing an organization, consortium, or affiliate, upon ap-
 15 proval of any required environmental review, for nongrant
 16 amounts of the organization, consortium, or affiliate ad-
 17 vanced before such review to acquire land”.

18 (c) *DEADLINE FOR RECAPTURE OF FUNDS.*—Section
 19 11 of the *Housing Opportunity Program Extension Act of*
 20 *1996 (42 U.S.C. 12805 note)* is amended—

21 (1) in subsection (i)(5)—

22 (A) by striking “if the organization or con-
 23 sortia has not used any grant amounts” and in-
 24 serting “the Secretary shall recapture any grant
 25 amounts provided to the organization or con-
 26 sortia that are not used”;

1 (B) by striking “(or,” and inserting “, ex-
2 cept that such period shall be 36 months”; and

3 (C) by striking “within 36 months), the
4 Secretary shall recapture such unused amounts”
5 and inserting “and in the case of a grant
6 amounts provided to a local affiliate of the orga-
7 nization or consortia that is developing five or
8 more dwellings in connection with such grant
9 amounts”; and

10 (2) in subsection (j), by inserting after “carry
11 out this section” the following: “and grant amounts
12 provided to a local affiliate of the organization or
13 consortia that is developing five or more dwellings in
14 connection with such grant amounts”.

15 (d) *TECHNICAL CORRECTIONS.*—Section 11 of the
16 *Housing Opportunity Program Extension Act of 1996* (42
17 *U.S.C. 12805 note*) is amended—

18 (1) in subsection (b)(4), by striking “Habitat for
19 Humanity International, its affiliates, and other”;
20 and

21 (2) in subsection (e)(2), by striking “consoria”
22 and inserting “consortia”.

TITLE III—SECTION 8
HOMEOWNERSHIP OPTION

SEC. 301. DOWNPAYMENT ASSISTANCE.

(a) *AMENDMENTS.*—Section 8(y) of the United States Housing Act of 1937 (42 U.S.C. 1437f(y)) is amended—

(1) by redesignating paragraph (7) as paragraph (8); and

(2) by inserting after paragraph (6) the following new paragraph:

“(7) *DOWNPAYMENT ASSISTANCE.*—

“(A) *AUTHORITY.*—A public housing agency may, in lieu of providing monthly assistance payments under this subsection on behalf of a family eligible for such assistance and at the discretion of the public housing agency, provide assistance for the family in the form of a single grant to be used only as a contribution toward the downpayment required in connection with the purchase of a dwelling for fiscal year 2000 and each fiscal year thereafter to the extent provided in advance in appropriations Acts.

“(B) *AMOUNT.*—The amount of a downpayment grant on behalf of an assisted family may not exceed the amount that is equal to the sum of the assistance payments that would be made

1 *during the first year of assistance on behalf of*
2 *the family, based upon the income of the family*
3 *at the time the grant is to be made.”.*

4 **(b) EFFECTIVE DATE.**—*The amendments made by sub-*
5 *section (a) shall take effect immediately after the amend-*
6 *ments made by section 555(c) of the Quality Housing and*
7 *Work Responsibility Act of 1998 take effect pursuant to*
8 *such section.*

9 **SEC. 302. PILOT PROGRAM FOR HOMEOWNERSHIP ASSIST-**
10 **ANCE FOR DISABLED FAMILIES.**

11 **(a) IN GENERAL.**—*A public housing agency providing*
12 *tenant-based assistance on behalf of an eligible family under*
13 *section 8 of the United States Housing Act of 1937 (42*
14 *U.S.C. 1437f) may provide assistance for a disabled family*
15 *that purchases a dwelling unit (including a dwelling unit*
16 *under a lease-purchase agreement) that will be owned by*
17 *one or more members of the disabled family and will be*
18 *occupied by the disabled family, if the disabled family—*

19 **(1)** *purchases the dwelling unit before the expira-*
20 *tion of the 3-year period beginning on the date that*
21 *the Secretary first implements the pilot program*
22 *under this section;*

23 **(2)** *demonstrates that the disabled family has in-*
24 *come from employment or other sources (including*
25 *public assistance), as determined in accordance with*

1 *requirements of the Secretary, that is not less than*
2 *twice the payment standard established by the public*
3 *housing agency (or such other amount as may be es-*
4 *tablished by the Secretary);*

5 *(3) except as provided by the Secretary, dem-*
6 *onstrates at the time the disabled family initially re-*
7 *ceives tenant-based assistance under this section that*
8 *one or more adult members of the disabled family*
9 *have achieved employment for the period as the Sec-*
10 *retary shall require;*

11 *(4) participates in a homeownership and hous-*
12 *ing counseling program provided by the agency; and*

13 *(5) meets any other initial or continuing re-*
14 *quirements established by the public housing agency*
15 *in accordance with requirements established by the*
16 *Secretary.*

17 *(b) DETERMINATION OF AMOUNT OF ASSISTANCE.—*

18 *(1) IN GENERAL.—*

19 *(A) MONTHLY EXPENSES NOT EXCEEDING*
20 *PAYMENT STANDARD.—If the monthly home-*
21 *ownership expenses, as determined in accordance*
22 *with requirements established by the Secretary,*
23 *do not exceed the payment standard, the monthly*
24 *assistance payment shall be the amount by which*
25 *the homeownership expenses exceed the highest of*

1 the following amounts, rounded to the nearest
2 dollar:

3 (i) 30 percent of the monthly adjusted
4 income of the disabled family.

5 (ii) 10 percent of the monthly income
6 of the disabled family.

7 (iii) If the disabled family is receiving
8 payments for welfare assistance from a pub-
9 lic agency, and a portion of those payments,
10 adjusted in accordance with the actual
11 housing costs of the disabled family, is spe-
12 cifically designated by that agency to meet
13 the housing costs of the disabled family, the
14 portion of those payments that is so des-
15 ignated.

16 (B) MONTHLY EXPENSES EXCEED PAYMENT
17 STANDARD.—If the monthly homeownership ex-
18 penses, as determined in accordance with re-
19 quirements established by the Secretary, exceed
20 the payment standard, the monthly assistance
21 payment shall be the amount by which the appli-
22 cable payment standard exceeds the highest of the
23 amounts under clauses (i), (ii), and (iii) of sub-
24 paragraph (A).

25 (2) CALCULATION OF AMOUNT.—

1 (A) *LOW-INCOME FAMILIES.*—A disabled
2 family that is a low-income family shall be eligi-
3 ble to receive 100 percent of the amount cal-
4 culated under paragraph (1).

5 (B) *INCOME BETWEEN 81 AND 89 PERCENT*
6 *OF MEDIAN.*—A disabled family whose income is
7 between 81 and 89 percent of the median for the
8 area shall be eligible to receive 66 percent of the
9 amount calculated under paragraph (1).

10 (C) *INCOME BETWEEN 90 AND 99 PERCENT*
11 *OF MEDIAN.*—A disabled family whose income is
12 between 90 and 99 percent of the median for the
13 area shall be eligible to receive 33 percent of the
14 amount calculated under paragraph (1).

15 (D) *INCOME MORE THAN 99 PERCENT OF*
16 *MEDIAN.*—A disabled family whose income is
17 more than 99 percent of the median for the area
18 shall not be eligible to receive assistance under
19 this section.

20 (c) *INSPECTIONS AND CONTRACT CONDITIONS.*—

21 (1) *IN GENERAL.*—Each contract for the pur-
22 chase of a dwelling unit to be assisted under this sec-
23 tion shall—

1 (A) provide for pre-purchase inspection of
2 the dwelling unit by an independent profes-
3 sional; and

4 (B) require that any cost of necessary re-
5 pairs be paid by the seller.

6 (2) ANNUAL INSPECTIONS NOT REQUIRED.—The
7 requirement under subsection (o)(8)(A)(ii) of section 8
8 of the United States Housing Act of 1937 for annual
9 inspections shall not apply to dwelling units assisted
10 under this section.

11 (d) OTHER AUTHORITY OF THE SECRETARY.—The
12 Secretary may—

13 (1) limit the term of assistance for a disabled
14 family assisted under this section;

15 (2) provide assistance for a disabled family for
16 the entire term of a mortgage for a dwelling unit if
17 the disabled family remains eligible for such assist-
18 ance for such term; and

19 (3) modify the requirements of this section as the
20 Secretary determines to be necessary to make appro-
21 priate adaptations for lease-purchase agreements.

22 (e) ASSISTANCE PAYMENTS SENT TO LENDER.—The
23 Secretary shall remit assistance payments under this sec-
24 tion directly to the mortgagee of the dwelling unit pur-

1 *chased by the disabled family receiving such assistance pay-*
2 *ments.*

3 (f) *INAPPLICABILITY OF CERTAIN PROVISIONS.—As-*
4 *istance under this section shall not be subject to the re-*
5 *quirements of the following provisions:*

6 (1) *Subsection (c)(3)(B) of section 8 of the*
7 *United States Housing Act of 1937.*

8 (2) *Subsection (d)(1)(B)(i) of section 8 of the*
9 *United States Housing Act of 1937.*

10 (3) *Any other provisions of section 8 of the*
11 *United States Housing Act of 1937 governing max-*
12 *imum amounts payable to owners and amounts pay-*
13 *able by assisted families.*

14 (4) *Any other provisions of section 8 of the*
15 *United States Housing Act of 1937 concerning con-*
16 *tracts between public housing agencies and owners.*

17 (5) *Any other provisions of the United States*
18 *Housing Act of 1937 that are inconsistent with the*
19 *provisions of this section.*

20 (g) *REVERSION TO RENTAL STATUS.—*

21 (1) *NON-FHA MORTGAGES.—If a disabled family*
22 *receiving assistance under this section defaults under*
23 *a mortgage not insured under the National Housing*
24 *Act, the disabled family may not continue to receive*
25 *rental assistance under section 8 of the United States*

1 *Housing Act of 1937 unless it complies with require-*
2 *ments established by the Secretary.*

3 (2) *ALL MORTGAGES.*—*A disabled family receiv-*
4 *ing assistance under this section that defaults under*
5 *a mortgage may not receive assistance under this sec-*
6 *tion for occupancy of another dwelling unit owned by*
7 *1 or more members of the disabled family.*

8 (3) *EXCEPTION.*—*This subsection shall not apply*
9 *if the Secretary determines that the disabled family*
10 *receiving assistance under this section defaulted under*
11 *a mortgage due to catastrophic medical reasons or*
12 *due to the impact of a federally declared major dis-*
13 *aster or emergency.*

14 (h) *REGULATIONS.*—*Not later than 90 days after the*
15 *date of the enactment of this Act, the Secretary shall issue*
16 *regulations to implement this section. Such regulations may*
17 *not prohibit any public housing agency providing tenant-*
18 *based assistance on behalf of an eligible family under sec-*
19 *tion 8 of the United States Housing Act of 1937 from par-*
20 *ticipating in the pilot program under this section.*

21 (i) *DEFINITION OF DISABLED FAMILY.*—*For the pur-*
22 *poses of this section, the term “disabled family” has the*
23 *meaning given the term “person with disabilities” in sec-*
24 *tion 811(k)(2) of the Cranston-Gonzalez National Affordable*
25 *Housing Act (42 U.S.C. 8013(k)(2)).*

1 **SEC. 303. FUNDING FOR PILOT PROGRAMS.**

2 (a) *AUTHORIZATION OF APPROPRIATIONS.*—*There is*
3 *authorized to be appropriated such sums as may be nec-*
4 *essary for fiscal year 2001 for assistance in connection with*
5 *the existing homeownership pilot programs carried out*
6 *under the demonstration program authorized under to sec-*
7 *tion 555(b) of the Quality Housing and Work Responsi-*
8 *bility Act of 1998 (Public Law 105–276; 112 Stat. 2613).*

9 (b) *USE.*—*Subject to subsection (c), amounts made*
10 *available pursuant to this section shall be used only through*
11 *such homeownership pilot programs to provide, on behalf*
12 *of families participating in such programs, amounts for*
13 *downpayments in connection with dwellings purchased by*
14 *such families using assistance made available under section*
15 *8(y) of the United States Housing Act of 1937 (42 U.S.C.*
16 *1437f(y)). No such downpayment grant may exceed 20 per-*
17 *cent of the appraised value of the dwelling purchased with*
18 *assistance under such section 8(y).*

19 (c) *MATCHING REQUIREMENT.*—*The amount of assist-*
20 *ance made available under this section for any existing*
21 *homeownership pilot program may not exceed twice the*
22 *amount donated from sources other than this section for use*
23 *under the program for assistance described in subsection*
24 *(b). Amounts donated from other sources may include*
25 *amounts from State housing finance agencies and Neighbor-*
26 *hood Housing Services of America.*

1 **TITLE IV—PRIVATE MORTGAGE**
 2 **INSURANCE CANCELLATION**
 3 **AND TERMINATION**

4 **SEC. 401. SHORT TITLE.**

5 *This title may be cited as the “Private Mortgage Insur-*
 6 *ance Technical Corrections and Clarification Act”.*

7 **SEC. 402. CHANGES IN AMORTIZATION SCHEDULE.**

8 (a) *TREATMENT OF ADJUSTABLE RATE MORT-*
 9 *GAGES.—The Homeowners Protection Act of 1998 (12*
 10 *U.S.C. 4901 et seq.) is amended—*

11 (1) *in section 2—*

12 (A) *in paragraph (2)(B)(i), by striking*
 13 *“amortization schedules” and inserting “the am-*
 14 *ortization schedule then in effect”;*

15 (B) *in paragraph (16)(B), by striking “am-*
 16 *ortization schedules” and inserting “the amorti-*
 17 *zation schedule then in effect”;*

18 (C) *by redesignating paragraphs (6)*
 19 *through (16) (as amended by the preceding pro-*
 20 *visions of this paragraph) as paragraphs (8)*
 21 *through (18), respectively; and*

22 (D) *by inserting after paragraph (5) the fol-*
 23 *lowing new paragraph:*

24 “(6) *AMORTIZATION SCHEDULE THEN IN EF-*
 25 *FECT.—The term ‘amortization schedule then in ef-*

1 *fect’ means, with respect to an adjustable rate mort-*
 2 *gage, a schedule established at the time at which the*
 3 *residential mortgage transaction is consummated or,*
 4 *if such schedule has been changed or recalculated, is*
 5 *the most recent schedule under the terms of the note*
 6 *or mortgage, which shows—*

7 *“(A) the amount of principal and interest*
 8 *that is due at regular intervals to retire the*
 9 *principal balance and accrued interest over the*
 10 *remaining amortization period of the loan; and*

11 *“(B) the unpaid balance of the loan after*
 12 *each such scheduled payment is made.”; and*

13 *(2) in section 3(f)(1)(B)(ii), by striking “amorti-*
 14 *zation schedules” and inserting “the amortization*
 15 *schedule then in effect”.*

16 *(b) TREATMENT OF BALLOON MORTGAGES.—Para-*
 17 *graph (1) of section 2 of the Homeowners Protection Act*
 18 *of 1998 (12 U.S.C. 4901(1)) is amended by adding at the*
 19 *end the following new sentence: “A residential mortgage*
 20 *that (A) does not fully amortize over the term of the obliga-*
 21 *tion, and (B) contains a conditional right to refinance or*
 22 *modify the unamortized principal at the maturity date of*
 23 *the term, shall be considered to be an adjustable rate mort-*
 24 *gage for purposes of this Act.”.*

25 *(c) TREATMENT OF LOAN MODIFICATIONS.—*

1 (1) *IN GENERAL.*—Section 3 of the Homeowners
2 *Protection Act of 1998 (12 U.S.C. 4902) is*
3 *amended—*

4 (A) *by redesignating subsections (d) through*
5 *(f) as subsections (e) through (g), respectively;*
6 *and*

7 (B) *by inserting after subsection (c) the fol-*
8 *lowing new subsection:*

9 “(d) *TREATMENT OF LOAN MODIFICATIONS.*—*If a*
10 *mortgagor and mortgagee (or holder of the mortgage) agree*
11 *to a modification of the terms or conditions of a loan pursu-*
12 *ant to a residential mortgage transaction, the cancellation*
13 *date, termination date, or final termination shall be recal-*
14 *culated to reflect the modified terms and conditions of such*
15 *loan.”.*

16 (2) *CONFORMING AMENDMENTS.*—Section 4(a) of
17 *the Homeowners Protection Act of 1998 (12 U.S.C.*
18 *4903(a)) is amended—*

19 (A) *in paragraph (1)—*

20 (i) *in the matter preceding subpara-*
21 *graph (A), by striking “section 3(f)(1)” and*
22 *inserting “section 3(g)(1)”;*

23 (ii) *in subparagraph (A)(ii)(IV), by*
24 *striking “section 3(f)” and inserting “sec-*
25 *tion 3(g)”;* and

1 (iii) in subparagraph (B)(iii), by
2 striking “section 3(f)” and inserting “sec-
3 tion 3(g)”;

4 (B) in paragraph (2), by striking “section
5 3(f)(1)” and inserting “section 3(g)(1)”.

6 **SEC. 403. DELETION OF AMBIGUOUS REFERENCES TO RESI-**
7 **DENTIAL MORTGAGES.**

8 (a) *TERMINATION OF PRIVATE MORTGAGE INSUR-*
9 *ANCE.*—Section 3 of the Homeowners Protection Act of 1998
10 (12 U.S.C. 4902) is amended—

11 (1) in subsection (c), by inserting “on residential
12 mortgage transactions” after “imposed”; and

13 (2) in subsection (g) (as so redesignated by the
14 preceding provisions of this title)—

15 (A) in paragraph (1), in the matter pre-
16 ceding subparagraph (A), by striking “mortgage
17 or”;

18 (B) in paragraph (2), by striking “mort-
19 gage or”; and

20 (C) in paragraph (3), by striking “mort-
21 gage or” and inserting “residential mortgage or
22 residential”.

23 (b) *DISCLOSURE REQUIREMENTS.*—Section 4 of the
24 *Homeowners Protection Act of 1998* (12 U.S.C. 4903(a))
25 *is amended—*

1 (1) *in subsection (a)—*

2 (A) *in paragraph (1)—*

3 (i) *by striking “mortgage or” the first*
4 *place it appears; and*

5 (ii) *by striking “mortgage or” the sec-*
6 *ond place it appears and inserting “resi-*
7 *dential”; and*

8 (B) *in paragraph (2), by striking “mort-*
9 *gage or” and inserting “residential”;*

10 (2) *in subsection (c), by striking “paragraphs*
11 *(1)(B) and (3) of subsection (a)” and inserting “sub-*
12 *section (a)(3)”;* and

13 (3) *in subsection (d), by inserting before the pe-*
14 *riod at the end the following: “, which disclosures*
15 *shall relate to the mortgagor’s rights under this Act”.*

16 (c) *DISCLOSURE REQUIREMENTS FOR LENDER-PAID*
17 *MORTGAGE INSURANCE.—Section 6 of the Homeowners*
18 *Protection Act of 1998 (12 U.S.C. 4905) is amended—*

19 (1) *in subsection (c)—*

20 (A) *in the matter preceding paragraph (1),*
21 *by striking “a residential mortgage or”; and*

22 (B) *in paragraph (2), by inserting “trans-*
23 *action” after “residential mortgage”; and*

24 (2) *in subsection (d), by inserting “transaction”*
25 *after “residential mortgage”.*

1 **SEC. 404. CANCELLATION RIGHTS AFTER CANCELLATION**2 **DATE.**

3 *Section 3 of the Homeowners Protection Act of 1998*
4 *(12 U.S.C. 4902) is amended—*

5 *(1) in subsection (a)—*

6 *(A) in the matter preceding paragraph (1),*
7 *by inserting after “cancellation date” the fol-*
8 *lowing: “or any later date that the mortgagor*
9 *fulfills all of the requirements under paragraphs*
10 *(1) through (4)”;*

11 *(B) in paragraph (2), by striking “and” at*
12 *the end;*

13 *(C) by redesignating paragraph (3) as*
14 *paragraph (4); and*

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

17 *“(3) is current on the payments required by the*
18 *terms of the residential mortgage transaction; and”;*
19 *and*

20 *(2) in subsection (e)(1)(B) (as so redesignated by*
21 *the preceding provisions of this title), by striking*
22 *“subsection (a)(3)” and inserting “subsection (a)(4)”.*

1 **SEC. 405. CLARIFICATION OF CANCELLATION AND TERMI-**
2 **NATION ISSUES AND LENDER PAID MORT-**
3 **GAGE INSURANCE DISCLOSURE REQUIRE-**
4 **MENTS.**

5 (a) *GOOD PAYMENT HISTORY.*—Section 2(4) of the
6 *Homeowners Protection Act of 1998 (12 U.S.C. 4901(4))*
7 *is amended—*

8 (1) *in subparagraph (A)—*

9 (A) *by inserting “the later of (i)” before*
10 *“the date”; and*

11 (B) *by inserting “, or (ii) the date that the*
12 *mortgagor submits a request for cancellation*
13 *under section 3(a)(1)” before the semicolon; and*

14 (2) *in subparagraph (B)—*

15 (A) *by inserting “the later of (i)” before*
16 *“the date”; and*

17 (B) *by inserting “, or (ii) the date that the*
18 *mortgagor submits a request for cancellation*
19 *under section 3(a)(1)” before the period at the*
20 *end.*

21 (b) *AUTOMATIC TERMINATION.*—Paragraph (2) of sec-
22 *tion 3(b) of the Homeowners Protection Act of 1998 (12*
23 *U.S.C. 4902(b)(2)) is amended to read as follows:*

24 “(2) *if the mortgagor is not current on the termi-*
25 *nation date, on the first day of the first month begin-*
26 *ning after the date that the mortgagor becomes cur-*

1 *rent on the payments required by the terms of the res-*
2 *idential mortgage transaction.”*

3 (c) *PREMIUM PAYMENTS.*—Section 3 of the Home-
4 owners Protection Act of 1998 (12 U.S.C. 4902) is amended
5 by adding at the end the following new subsection:

6 “(h) *ACCRUED OBLIGATION FOR PREMIUM PAY-*
7 *MENTS.*—The cancellation or termination under this section
8 of the private mortgage insurance of a mortgagor shall not
9 affect the rights of any mortgagee, servicer, or mortgage in-
10 surer to enforce any obligation of such mortgagor for pre-
11 mium payments accrued prior to the date on which such
12 cancellation or termination occurred.”.

13 **SEC. 406. DEFINITIONS.**

14 (a) *REFINANCED.*—Section 6(c)(1)(B)(ii) of the Home-
15 owners Protection Act of 1998 (12 U.S.C. 4905(c)(1)(B)(ii))
16 is amended by inserting after “refinanced” the following:
17 “(under the meaning given such term in the regulations
18 issued by the Board of Governors of the Federal Reserve
19 System to carry out the Truth in Lending Act (15 U.S.C.
20 1601 et seq.))”.

21 (b) *MIDPOINT OF THE AMORTIZATION PERIOD.*—Sec-
22 tion 2 of the Homeowners Protection Act of 1998 (12 U.S.C.
23 4901) is amended by inserting after paragraph (6) (as
24 added by the preceding provisions of this title) the following
25 new paragraph:

1 “(7) *MIDPOINT OF THE AMORTIZATION PE-*
2 *RIOD.—The term ‘midpoint of the amortization pe-*
3 *riod’ means, with respect to a residential mortgage*
4 *transaction, the point in time that is halfway through*
5 *the period that begins upon the first day of the amor-*
6 *tization period established at the time a residential*
7 *mortgage transaction is consummated and ends upon*
8 *the completion of the entire period over which the*
9 *mortgage is scheduled to be amortized.”.*

10 (c) *ORIGINAL VALUE.—Section 2(12) of the Home-*
11 *owners Protection Act of 1998 (12 U.S.C. 4901(10)) (as so*
12 *redesignated by the preceding provisions of this title) is*
13 *amended—*

14 (1) *by inserting “transaction” after “a residen-*
15 *tial mortgage”;* and

16 (2) *by adding at the end the following new sen-*
17 *tence: “In the case of a residential mortgage trans-*
18 *action for refinancing the principal residence of the*
19 *mortgagor, such term means only the appraised value*
20 *relied upon by the mortgagee to approve the refinance*
21 *transaction.”.*

22 (d) *PRINCIPAL RESIDENCE.—Section 2 of the Home-*
23 *owners Protection Act of 1998 (12 U.S.C. 4901) is*
24 *amended—*

1 (1) *in paragraph (14) (as so redesignated by the*
 2 *preceding provisions of this title) by striking “pri-*
 3 *mary” and inserting “principal”; and*

4 (2) *in paragraph (15) (as so redesignated by the*
 5 *preceding provisions of this title) by striking “pri-*
 6 *mary” and inserting “principal”;*

7 ***TITLE V—NATIVE AMERICAN***

8 ***HOMEOWNERSHIP***

9 ***Subtitle A—Native American***

10 ***Housing***

11 ***SEC. 501. LANDS TITLE REPORT COMMISSION.***

12 (a) *ESTABLISHMENT.*—*Subject to sums being provided*
 13 *in advance in appropriations Acts, there is established a*
 14 *Commission to be known as the Lands Title Report Com-*
 15 *mission (hereafter in this section referred to as the “Com-*
 16 *mission”)* *to facilitate home loan mortgages on Indian trust*
 17 *lands. The Commission will be subject to oversight by the*
 18 *Committee on Banking and Financial Services of the House*
 19 *of Representatives and the Committee on Banking, Hous-*
 20 *ing, and Urban Affairs of the Senate.*

21 (b) *MEMBERSHIP.*—

22 (1) *APPOINTMENT.*—*The Commission shall be*
 23 *composed of 12 members, appointed not later than 90*
 24 *days after the date of the enactment of this Act as fol-*
 25 *lows:*

1 (A) *Four members shall be appointed by the*
2 *President.*

3 (B) *Four members shall be appointed by the*
4 *Chairperson of the Committee on Banking and*
5 *Financial Services of the House of Representa-*
6 *tives.*

7 (C) *Four members shall be appointed by the*
8 *Chairperson of the Committee on Banking,*
9 *Housing, and Urban Affairs of the Senate.*

10 (2) *QUALIFICATIONS.—*

11 (A) *MEMBERS OF TRIBES.—At all times,*
12 *not less than eight of the members of the Com-*
13 *mission shall be members of federally recognized*
14 *Indian tribes.*

15 (B) *EXPERIENCE IN LAND TITLE MAT-*
16 *TERS.—All members of the Commission shall*
17 *have experience in and knowledge of land title*
18 *matters relating to Indian trust lands.*

19 (3) *CHAIRPERSON.—The Chairperson of the*
20 *Commission shall be one of the members of the Com-*
21 *mission appointed under paragraph (1)(C), as elected*
22 *by the members of the Commission.*

23 (4) *VACANCIES.—Any vacancy on the Commis-*
24 *sion shall not affect its powers, but shall be filled in*

1 *the manner in which the original appointment was*
2 *made.*

3 (5) *TRAVEL EXPENSES.*—*Members of the Com-*
4 *mission shall serve without pay, but each member*
5 *shall receive travel expenses, including per diem in*
6 *lieu of subsistence, in accordance with sections 5702*
7 *and 5703 of title 5, United States Code.*

8 (c) *INITIAL MEETING.*—*The Chairperson of the Com-*
9 *mission shall call the initial meeting of the Commission.*
10 *Such meeting shall be held within 30 days after the Chair-*
11 *person of the Commission determines that sums sufficient*
12 *for the Commission to carry out its duties under this Act*
13 *have been appropriated for such purpose.*

14 (d) *DUTIES.*—*The Commission shall analyze the sys-*
15 *tem of the Bureau of Indian Affairs of the Department of*
16 *the Interior for maintaining land ownership records and*
17 *title documents and issuing certified title status reports re-*
18 *lating to Indian trust lands and, pursuant to such analysis,*
19 *determine how best to improve or replace the system—*

20 (1) *to ensure prompt and accurate responses to*
21 *requests for title status reports;*

22 (2) *to eliminate any backlog of requests for title*
23 *status reports; and*

24 (3) *to ensure that the administration of the sys-*
25 *tem will not in any way impair or restrict the ability*

1 of Native Americans to obtain conventional loans for
2 purchase of residences located on Indian trust lands,
3 including any actions necessary to ensure that the
4 system will promptly be able to meet future demands
5 for certified title status reports, taking into account
6 the anticipated complexity and volume of such re-
7 quests.

8 (e) *REPORT.*—Not later than the date of the termi-
9 nation of the Commission under subsection (h), the Com-
10 mission shall submit a report to the Committee on Banking
11 and Financial Services of the House of Representatives and
12 the Committee on Banking, Housing, and Urban Affairs
13 of the Senate describing the analysis and determinations
14 made pursuant to subsection (d).

15 (f) *POWERS.*—

16 (1) *HEARINGS AND SESSIONS.*—The Commission
17 may, for the purpose of carrying out this section, hold
18 hearings, sit and act at times and places, take testi-
19 mony, and receive evidence as the Commission con-
20 siders appropriate.

21 (2) *STAFF OF FEDERAL AGENCIES.*—Upon re-
22 quest of the Commission, the head of any Federal de-
23 partment or agency may detail, on a reimbursable
24 basis, any of the personnel of that department or

1 *agency to the Commission to assist it in carrying out*
2 *its duties under this section.*

3 (3) *OBTAINING OFFICIAL DATA.*—*The Commis-*
4 *sion may secure directly from any department or*
5 *agency of the United States information necessary to*
6 *enable it to carry out this section. Upon request of the*
7 *Chairperson of the Commission, the head of that de-*
8 *partment or agency shall furnish that information to*
9 *the Commission.*

10 (4) *MAILS.*—*The Commission may use the*
11 *United States mails in the same manner and under*
12 *the same conditions as other departments and agen-*
13 *cies of the United States.*

14 (5) *ADMINISTRATIVE SUPPORT SERVICES.*—*Upon*
15 *the request of the Commission, the Administrator of*
16 *General Services shall provide to the Commission, on*
17 *a reimbursable basis, the administrative support serv-*
18 *ices necessary for the Commission to carry out its du-*
19 *ties under this section.*

20 (6) *STAFF.*—*The Commission may appoint per-*
21 *sonnel as it considers appropriate, subject to the pro-*
22 *visions of title 5, United States Code, governing ap-*
23 *pointments in the competitive service, and shall pay*
24 *such personnel in accordance with the provisions of*
25 *chapter 51 and subchapter III of chapter 53 of that*

1 *title relating to classification and General Schedule*
 2 *pay rates.*

3 *(g) AUTHORIZATION OF APPROPRIATIONS.—There is*
 4 *authorized to be appropriated to carry out this section such*
 5 *sums as may be necessary, and any amounts appropriated*
 6 *pursuant to this subsection shall remain available until ex-*
 7 *pended.*

8 *(h) TERMINATION.—The Commission shall terminate*
 9 *1 year after the date of the initial meeting of the Commis-*
 10 *sion.*

11 **SEC. 502. LOAN GUARANTEES.**

12 *Section 184(i) of the Housing and Community Devel-*
 13 *opment Act of 1992 (12 U.S.C. 1715z–13a(i)) is amended—*

14 *(1) in paragraph (5), by striking subparagraph*
 15 *(C) and inserting the following new subparagraph:*

16 *“(C) LIMITATION ON OUTSTANDING AGGRE-*
 17 *GATE PRINCIPAL AMOUNT.—Subject to the limi-*
 18 *tations in subparagraphs (A) and (B), the Sec-*
 19 *retary may enter into commitments to guarantee*
 20 *loans under this section in each fiscal year with*
 21 *an aggregate outstanding principal amount not*
 22 *exceeding such amount as may be provided in*
 23 *appropriation Acts for such fiscal year.”; and*

1 (2) *in paragraph (7), by striking “each of fiscal*
2 *years 1997, 1998, 1999, 2000, and 2001” and insert-*
3 *ing “each fiscal year”.*

4 **SEC. 503. NATIVE AMERICAN HOUSING ASSISTANCE.**

5 (a) *RESTRICTION ON WAIVER AUTHORITY.—*

6 (1) *IN GENERAL.—Section 101(b)(2) of the Na-*
7 *tive American Housing Assistance and Self-Deter-*
8 *mination Act of 1996 (25 U.S.C. 4111(b)(2)) is*
9 *amended by striking “if the Secretary” and all that*
10 *follows through the period at the end and inserting*
11 *the following: “for a period of not more than 90 days,*
12 *if the Secretary determines that an Indian tribe has*
13 *not complied with, or is unable to comply with, those*
14 *requirements due to exigent circumstances beyond the*
15 *control of the Indian tribe.”.*

16 (2) *LOCAL COOPERATION AGREEMENT.—Section*
17 *101(c) of the Native American Housing Assistance*
18 *and Self-Determination Act of 1996 (25 U.S.C.*
19 *4111(c)) is amended by adding at the end the fol-*
20 *lowing: “The Secretary may waive the requirements*
21 *of this subsection and subsection (d) if the recipient*
22 *has made a good faith effort to fulfill the requirements*
23 *of this subsection and subsection (d) and agrees to*
24 *make payments in lieu of taxes to the appropriate*
25 *taxing authority in an amount consistent with the re-*

1 *quirements of subsection (d)(2) until such time as the*
2 *matter of making such payments has been resolved in*
3 *accordance with subsection (d).”.*

4 *(b) ASSISTANCE TO FAMILIES THAT ARE NOT LOW-*
5 *INCOME.—Section 102(c) of the Native American Housing*
6 *Assistance and Self-Determination Act of 1996 (25 U.S.C.*
7 *4112(c)) is amended by adding at the end the following:*

8 *“(6) CERTAIN FAMILIES.—With respect to assist-*
9 *ance provided under section 201(b)(2) by a recipient*
10 *to Indian families that are not low-income families,*
11 *evidence that there is a need for housing for each such*
12 *family during that period that cannot reasonably be*
13 *met without such assistance.”.*

14 *(c) ELIMINATION OF WAIVER AUTHORITY FOR SMALL*
15 *TRIBES.—Section 102 of the Native American Housing As-*
16 *sistance and Self-Determination Act of 1996 (25 U.S.C.*
17 *4112) is amended—*

18 *(1) by striking subsection (f); and*

19 *(2) by redesignating subsection (g) as subsection*
20 *(f).*

21 *(d) ENVIRONMENTAL COMPLIANCE.—Section 105 of*
22 *the Native American Housing Assistance and Self-Deter-*
23 *mination Act of 1996 (25 U.S.C. 4115) is amended by add-*
24 *ing at the end the following:*

1 “(d) *ENVIRONMENTAL COMPLIANCE.*—*The Secretary*
2 *may waive the requirements under this section if the Sec-*
3 *retary determines that a failure on the part of a recipient*
4 *to comply with provisions of this section—*

5 “(1) *will not frustrate the goals of the National*
6 *Environmental Policy Act of 1969 (42 U.S.C. 4331 et*
7 *seq.) or any other provision of law that furthers the*
8 *goals of that Act;*

9 “(2) *does not threaten the health or safety of the*
10 *community involved by posing an immediate or long-*
11 *term hazard to residents of that community;*

12 “(3) *is a result of inadvertent error, including*
13 *an incorrect or incomplete certification provided*
14 *under subsection (c)(1); and*

15 “(4) *may be corrected through the sole action of*
16 *the recipient.”.*

17 “(e) *ELIGIBILITY OF LAW ENFORCEMENT OFFICERS*
18 *FOR HOUSING ASSISTANCE.*—*Section 201(b) of the Native*
19 *American Housing Assistance and Self-Determination Act*
20 *of 1996 (25 U.S.C. 4131(b)) is amended—*

21 (1) *in paragraph (1), by striking “paragraph*
22 *(2)” and inserting “paragraphs (2) and (4)”;*

23 (2) *by redesignating paragraphs (4) and (5) as*
24 *paragraphs (5) and (6), respectively; and*

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

3 “(4) *LAW ENFORCEMENT OFFICERS.*—A recipient
4 may provide housing or housing assistance provided
5 through affordable housing activities assisted with
6 grant amounts under this Act for a law enforcement
7 officer on an Indian reservation or other Indian area,
8 if—

9 “(A) the officer—

10 “(i) is employed on a full-time basis by
11 the Federal Government or a State, county,
12 or tribal government; and

13 “(ii) in implementing such full-time
14 employment, is sworn to uphold, and make
15 arrests for, violations of Federal, State,
16 county, or tribal law; and

17 “(B) the recipient determines that the pres-
18 ence of the law enforcement officer on the Indian
19 reservation or other Indian area may deter
20 crime.”.

21 (f) *OVERSIGHT.*—

22 (1) *REPAYMENT.*—Section 209 of the Native
23 American Housing Assistance and Self-Determination
24 Act of 1996 (25 U.S.C. 4139) is amended to read as
25 follows:

1 **“SEC. 209. NONCOMPLIANCE WITH AFFORDABLE HOUSING**
 2 **REQUIREMENT.**

3 *“If a recipient uses grant amounts to provide afford-*
 4 *able housing under this title, and at any time during the*
 5 *useful life of the housing the recipient does not comply with*
 6 *the requirement under section 205(a)(2), the Secretary shall*
 7 *take appropriate action under section 401(a).”*

8 (2) *AUDITS AND REVIEWS.—Section 405 of the*
 9 *Native American Housing Assistance and Self-Deter-*
 10 *mination Act of 1996 (25 U.S.C. 4165) is amended*
 11 *to read as follows:*

12 **“SEC. 405. REVIEW AND AUDIT BY SECRETARY.**

13 *“(a) REQUIREMENTS UNDER CHAPTER 75 OF TITLE*
 14 *31, UNITED STATES CODE.—An entity designated by an*
 15 *Indian tribe as a housing entity shall be treated, for pur-*
 16 *poses of chapter 75 of title 31, United States Code, as a*
 17 *non-Federal entity that is subject to the audit requirements*
 18 *that apply to non-Federal entities under that chapter.*

19 *“(b) ADDITIONAL REVIEWS AND AUDITS.—*

20 *“(1) IN GENERAL.—In addition to any audit or*
 21 *review under subsection (a), to the extent the Sec-*
 22 *retary determines such action to be appropriate, the*
 23 *Secretary may conduct an audit or review of a re-*
 24 *recipient in order to—*

25 *“(A) determine whether the recipient—*

26 *“(i) has carried out—*

1 “(I) eligible activities in a timely
2 manner; and

3 “(II) eligible activities and certifi-
4 cation in accordance with this Act and
5 other applicable law;

6 “(ii) has a continuing capacity to
7 carry out eligible activities in a timely
8 manner; and

9 “(iii) is in compliance with the Indian
10 housing plan of the recipient; and

11 “(B) verify the accuracy of information
12 contained in any performance report submitted
13 by the recipient under section 404.

14 “(2) ON-SITE VISITS.—To the extent practicable,
15 the reviews and audits conducted under this sub-
16 section shall include on-site visits by the appropriate
17 official of the Department of Housing and Urban De-
18 velopment.

19 “(c) REVIEW OF REPORTS.—

20 “(1) IN GENERAL.—The Secretary shall provide
21 each recipient that is the subject of a report made by
22 the Secretary under this section notice that the recipi-
23 ent may review and comment on the report during a
24 period of not less than 30 days after the date on
25 which notice is issued under this paragraph.

1 “(2) *PUBLIC AVAILABILITY.*—After taking into
2 consideration any comments of the recipient under
3 paragraph (1), the Secretary—

4 “(A) may revise the report; and

5 “(B) not later than 30 days after the date
6 on which those comments are received, shall
7 make the comments and the report (with any re-
8 visions made under subparagraph (A)) readily
9 available to the public.

10 “(d) *EFFECT OF REVIEWS.*—Subject to section 401(a),
11 after reviewing the reports and audits relating to a recipi-
12 ent that are submitted to the Secretary under this section,
13 the Secretary may adjust the amount of a grant made to
14 a recipient under this Act in accordance with the findings
15 of the Secretary with respect to those reports and audits.”.

16 (g) *ALLOCATION FORMULA.*—Section 302(d)(1) of the
17 Native American Housing Assistance and Self-Determina-
18 tion Act of 1996 (25 U.S.C. 4152(d)(1)) is amended—

19 (1) by striking “The formula,” and inserting the
20 following:

21 “(A) *IN GENERAL.*—Except with respect to
22 an Indian tribe described in subparagraph (B),
23 the formula”; and

24 (2) by adding at the end the following:

1 “(B) *CERTAIN INDIAN TRIBES.*—With re-
2 spect to fiscal year 2001 and each fiscal year
3 thereafter, for any Indian tribe with an Indian
4 housing authority that owns or operates fewer
5 than 250 public housing units, the formula shall
6 provide that if the amount provided for a fiscal
7 year in which the total amount made available
8 for assistance under this Act is equal to or great-
9 er than the amount made available for fiscal
10 year 1996 for assistance for the operation and
11 modernization of the public housing referred to
12 in subparagraph (A), then the amount provided
13 to that Indian tribe as modernization assistance
14 shall be equal to the average annual amount of
15 funds provided to the Indian tribe (other than
16 funds provided as emergency assistance) under
17 the assistance program under section 14 of the
18 United States Housing Act of 1937 (42 U.S.C.
19 1437l) for the period beginning with fiscal year
20 1992 and ending with fiscal year 1997.”.

21 (h) *HEARING REQUIREMENT.*—Section 401(a) of the
22 Native American Housing Assistance and Self-Determina-
23 tion Act of 1996 (25 U.S.C. 4161(a)) is amended—

24 (1) by redesignating paragraphs (1) through (4)
25 as subparagraphs (A) through (D), respectively, and

1 *realigning such subparagraphs (as so redesignated) so*
2 *as to be indented 4 ems from the left margin;*

3 *(2) by striking “Except as provided” and insert-*
4 *ing the following:*

5 *“(1) IN GENERAL.—Except as provided”;*

6 *(3) by striking “If the Secretary takes an action*
7 *under paragraph (1), (2), or (3)” and inserting the*
8 *following:*

9 *“(2) CONTINUANCE OF ACTIONS.—If the Sec-*
10 *retary takes an action under subparagraph (A), (B),*
11 *or (C) of paragraph (1)”;* and

12 *(4) by adding at the end the following:*

13 *“(3) EXCEPTION FOR CERTAIN ACTIONS.—*

14 *“(A) IN GENERAL.—Notwithstanding any*
15 *other provision of this subsection, if the Sec-*
16 *retary makes a determination that the failure of*
17 *a recipient of assistance under this Act to com-*
18 *ply substantially with any material provision*
19 *(as that term is defined by the Secretary) of this*
20 *Act is resulting, and would continue to result, in*
21 *a continuing expenditure of Federal funds in a*
22 *manner that is not authorized by law, the Sec-*
23 *retary may take an action described in para-*
24 *graph (1)(C) before conducting a hearing.*

1 “(B) *PROCEDURAL REQUIREMENT.*—If the
2 Secretary takes an action described in subpara-
3 graph (A), the Secretary shall—

4 “(i) provide notice to the recipient at
5 the time that the Secretary takes that ac-
6 tion; and

7 “(ii) conduct a hearing not later than
8 60 days after the date on which the Sec-
9 retary provides notice under clause (i).

10 “(C) *DETERMINATION.*—Upon completion of
11 a hearing under this paragraph, the Secretary
12 shall make a determination regarding whether to
13 continue taking the action that is the subject of
14 the hearing, or take another action under this
15 subsection.”.

16 (i) *PERFORMANCE AGREEMENT TIME LIMIT.*—Section
17 401(b) of the Native American Housing Assistance and Self-
18 Determination Act of 1996 (25 U.S.C. 4161(b)) is
19 amended—

20 (1) by striking “If the Secretary” and inserting
21 the following:

22 “(1) *IN GENERAL.*—If the Secretary”;

23 (2) by striking “(1) is not” and inserting the fol-
24 lowing:

25 “(A) is not”;

1 (3) *by striking “(2) is a result” and inserting*
2 *the following:*

3 *“(B) is a result”;*

4 (4) *in the flush material following paragraph*
5 *(1)(B), as redesignated by paragraph (3) of this*
6 *subsection—*

7 (A) *by realigning such material so as to be*
8 *indented 2 ems from the left margin; and*

9 (B) *by inserting before the period at the end*
10 *the following: “, if the recipient enters into a*
11 *performance agreement with the Secretary that*
12 *specifies the compliance objectives that the recipi-*
13 *ent will be required to achieve by the termi-*
14 *nation date of the performance agreement”;* and

15 (5) *by adding at the end the following:*

16 “(2) *PERFORMANCE AGREEMENT.—The period of*
17 *a performance agreement described in paragraph (1)*
18 *shall be for 1 year.*

19 “(3) *REVIEW.—Upon the termination of a per-*
20 *formance agreement entered into under paragraph*
21 *(1), the Secretary shall review the performance of the*
22 *recipient that is a party to the agreement.*

23 “(4) *EFFECT OF REVIEW.—If, on the basis of a*
24 *review under paragraph (3), the Secretary determines*
25 *that the recipient—*

1 “(A) has made a good faith effort to meet
2 the compliance objectives specified in the agree-
3 ment, the Secretary may enter into an addi-
4 tional performance agreement for the period
5 specified in paragraph (2); and

6 “(B) has failed to make a good faith effort
7 to meet applicable compliance objectives, the Sec-
8 retary shall determine the recipient to have
9 failed to comply substantially with this Act, and
10 the recipient shall be subject to an action under
11 subsection (a).”.

12 (j) *LABOR STANDARDS.*—Section 104(b) of the Native
13 *American Housing Assistance and Self-Determination Act*
14 *of 1996 (25 U.S.C. 4114(b) is amended—*

15 (1) *in paragraph (1), by striking “Davis-Bacon*
16 *Act (40 U.S.C. 276a–276a–5)” and inserting “Act of*
17 *March 3, 1931 (commonly known as the Davis-Bacon*
18 *Act; chapter 411; 46 Stat. 1494; 40 U.S.C 276a et*
19 *seq.)”;* and

20 (2) *by adding at the end the following new para-*
21 *graph:*

22 “(3) *APPLICATION OF TRIBAL LAWS.*—Paragraph
23 (1) shall not apply to any contract or agreement for
24 assistance, sale, or lease pursuant to this Act, if such
25 contract or agreement is otherwise covered by one or

1 *more laws or regulations adopted by an Indian tribe*
 2 *that requires the payment of not less than prevailing*
 3 *wages, as determined by the Indian tribe.”.*

4 *(k) TECHNICAL AND CONFORMING AMENDMENTS.—*

5 *(1) TABLE OF CONTENTS.—Section 1(b) of the*
 6 *Native American Housing Assistance and Self-Deter-*
 7 *mination Act of 1996 (25 U.S.C. 4101 note) is*
 8 *amended in the table of contents—*

9 *(A) by striking the item relating to section*
 10 *206; and*

11 *(B) by striking the item relating to section*
 12 *209 and inserting the following:*

“209. *Noncompliance with affordable housing requirement.*”.

13 *(2) CERTIFICATION OF COMPLIANCE WITH SUB-*
 14 *SIDY LAYERING REQUIREMENTS.—Section 206 of the*
 15 *Native American Housing Assistance and Self-Deter-*
 16 *mination Act of 1996 (25 U.S.C. 4136) is repealed.*

17 *(3) TERMINATIONS.—Section 502(a) of the Na-*
 18 *tive American Housing Assistance and Self-Deter-*
 19 *mination Act of 1996 (25 U.S.C. 4181(a)) is amended*
 20 *by adding at the end the following: “Any housing that*
 21 *is the subject of a contract for tenant-based assistance*
 22 *between the Secretary and an Indian housing author-*
 23 *ity that is terminated under this section shall, for the*
 24 *following fiscal year and each fiscal year thereafter,*

1 *be considered to be a dwelling unit under section*
2 *302(b)(1).”.*

3 ***Subtitle B—Native Hawaiian***
4 ***Housing***

5 ***SEC. 511. SHORT TITLE.***

6 *This subtitle may be cited as the “Hawaiian Home-*
7 *lands Homeownership Act of 2000”.*

8 ***SEC. 512. FINDINGS.***

9 *The Congress finds that—*

10 *(1) the United States has undertaken a responsi-*
11 *bility to promote the general welfare of the United*
12 *States by—*

13 *(A) employing its resources to remedy the*
14 *unsafe and unsanitary housing conditions and*
15 *the acute shortage of decent, safe, and sanitary*
16 *dwellings for families of lower income; and*

17 *(B) developing effective partnerships with*
18 *governmental and private entities to accomplish*
19 *the objectives referred to in subparagraph (A);*

20 *(2) the United States has a special responsibility*
21 *for the welfare of the Native peoples of the United*
22 *States, including Native Hawaiians;*

23 *(3) pursuant to the provisions of the Hawaiian*
24 *Homes Commission Act, 1920 (42 Stat. 108 et seq.),*
25 *the United States set aside 200,000 acres of land in*

1 *the Federal territory that later became the State of*
2 *Hawaii in order to establish a homeland for the na-*
3 *tive people of Hawaii—Native Hawaiians;*

4 *(4) despite the intent of Congress in 1920 to ad-*
5 *dress the housing needs of Native Hawaiians through*
6 *the enactment of the Hawaiian Homes Commission*
7 *Act, 1920 (42 Stat. 108 et seq.), Native Hawaiians el-*
8 *igible to reside on the Hawaiian home lands have*
9 *been foreclosed from participating in Federal housing*
10 *assistance programs available to all other eligible*
11 *families in the United States;*

12 *(5) although Federal housing assistance pro-*
13 *grams have been administered on a racially neutral*
14 *basis in the State of Hawaii, Native Hawaiians con-*
15 *tinue to have the greatest unmet need for housing and*
16 *the highest rates of overcrowding in the United States;*

17 *(6) among the Native American population of*
18 *the United States, Native Hawaiians experience the*
19 *highest percentage of housing problems in the United*
20 *States, as the percentage—*

21 *(A) of housing problems in the Native Ha-*
22 *waiian population is 49 percent, as compared*
23 *to—*

1 (i) 44 percent for American Indian
2 and Alaska Native households in Indian
3 country; and

4 (ii) 27 percent for all other households
5 in the United States; and

6 (B) overcrowding in the Native Hawaiian
7 population is 36 percent as compared to 3 per-
8 cent for all other households in the United
9 States;

10 (7) among the Native Hawaiian population, the
11 needs of Native Hawaiians, as that term is defined in
12 section 801 of the Native American Housing Assist-
13 ance and Self-Determination Act of 1996 (as added
14 by this subtitle), eligible to reside on the Hawaiian
15 Home Lands are the most severe, as—

16 (A) the percentage of overcrowding in Na-
17 tive Hawaiian households on the Hawaiian
18 Home Lands is 36 percent; and

19 (B) approximately 13,000 Native Hawai-
20 ians, which constitute 95 percent of the Native
21 Hawaiians who are eligible to reside on the Ha-
22 waiian Home Lands, are in need of housing;

23 (8) applying the Department of Housing and
24 Urban Development guidelines—

1 (A) 70.8 percent of Native Hawaiians who
2 either reside or who are eligible to reside on the
3 Hawaiian Home Lands have incomes that fall
4 below the median family income; and

5 (B) 50 percent of Native Hawaiians who ei-
6 ther reside or who are eligible to reside on the
7 Hawaiian Home Lands have incomes below 30
8 percent of the median family income;

9 (9) $\frac{1}{3}$ of those Native Hawaiians who are eligi-
10 ble to reside on the Hawaiian Home Lands pay more
11 than 30 percent of their income for shelter, and $\frac{1}{2}$ of
12 those Native Hawaiians face overcrowding;

13 (10) the extraordinarily severe housing needs of
14 Native Hawaiians demonstrate that Native Hawai-
15 ians who either reside on, or are eligible to reside on,
16 Hawaiian Home Lands have been denied equal access
17 to Federal low-income housing assistance programs
18 available to other qualified residents of the United
19 States, and that a more effective means of addressing
20 their housing needs must be authorized;

21 (11) consistent with the recommendations of the
22 National Commission on American Indian, Alaska
23 Native, and Native Hawaiian Housing, and in order
24 to address the continuing prevalence of extraor-
25 dinarly severe housing needs among Native Hawai-

1 *ians who either reside or are eligible to reside on the*
2 *Hawaiian Home Lands, Congress finds it necessary*
3 *to extend the Federal low-income housing assistance*
4 *available to American Indians and Alaska Natives*
5 *under the Native American Housing Assistance and*
6 *Self-Determination Act of 1996 (25 U.S.C. 4101 et*
7 *seq.) to those Native Hawaiians;*

8 *(12) under the treaty-making power of the United*
9 *States, Congress had the constitutional authority to*
10 *confirm a treaty between the United States and the*
11 *government that represented the Hawaiian people,*
12 *and from 1826 until 1893, the United States recog-*
13 *nized the independence of the Kingdom of Hawaii, ex-*
14 *tended full diplomatic recognition to the Hawaiian*
15 *Government, and entered into treaties and conven-*
16 *tions with the Hawaiian monarchs to govern com-*
17 *merce and navigation in 1826, 1842, 1849, 1875, and*
18 *1887;*

19 *(13) the United States has recognized and re-*
20 *affirmed that—*

21 *(A) Native Hawaiians have a cultural, his-*
22 *toric, and land-based link to the indigenous peo-*
23 *ple who exercised sovereignty over the Hawaiian*
24 *Islands, and that group has never relinquished*
25 *its claims to sovereignty or its sovereign lands;*

1 (B) Congress does not extend services to Na-
2 tive Hawaiians because of their race, but because
3 of their unique status as the indigenous people of
4 a once sovereign nation as to whom the United
5 States has established a trust relationship;

6 (C) Congress has also delegated broad au-
7 thority to administer a portion of the Federal
8 trust responsibility to the State of Hawaii;

9 (D) the political status of Native Hawai-
10 ians is comparable to that of American Indians
11 and Alaska Natives; and

12 (E) the aboriginal, indigenous people of the
13 United States have—

14 (i) a continuing right to autonomy in
15 their internal affairs; and

16 (ii) an ongoing right of self-determina-
17 tion and self-governance that has never been
18 extinguished;

19 (14) the political relationship between the United
20 States and the Native Hawaiian people has been rec-
21 ognized and reaffirmed by the United States as evi-
22 denced by the inclusion of Native Hawaiians in—

23 (A) the Native American Programs Act of
24 1974 (42 U.S.C. 2291 et seq.);

1 (B) *the American Indian Religious Free-*
2 *dom Act (42 U.S.C. 1996 et seq.);*

3 (C) *the National Museum of the American*
4 *Indian Act (20 U.S.C. 80q et seq.);*

5 (D) *the Native American Graves Protection*
6 *and Repatriation Act (25 U.S.C. 3001 et seq.);*

7 (E) *the National Historic Preservation Act*
8 *(16 U.S.C. 470 et seq.);*

9 (F) *the Native American Languages Act of*
10 *1992 (106 Stat. 3434);*

11 (G) *the American Indian, Alaska Native*
12 *and Native Hawaiian Culture and Arts Develop-*
13 *ment Act (20 U.S.C. 4401 et seq.);*

14 (H) *the Job Training Partnership Act (29*
15 *U.S.C. 1501 et seq.); and*

16 (I) *the Older Americans Act of 1965 (42*
17 *U.S.C. 3001 et seq.); and*

18 (15) *in the area of housing, the United States*
19 *has recognized and reaffirmed the political relation-*
20 *ship with the Native Hawaiian people through—*

21 (A) *the enactment of the Hawaiian Homes*
22 *Commission Act, 1920 (42 Stat. 108 et seq.),*
23 *which set aside approximately 200,000 acres of*
24 *public lands that became known as Hawaiian*
25 *Home Lands in the Territory of Hawaii that*

1 *had been ceded to the United States for home-*
2 *steading by Native Hawaiians in order to reha-*
3 *ilitate a landless and dying people;*

4 *(B) the enactment of the Act entitled “An*
5 *Act to provide for the admission of the State of*
6 *Hawaii into the Union”, approved March 18,*
7 *1959 (73 Stat. 4)—*

8 *(i) by ceding to the State of Hawaii*
9 *title to the public lands formerly held by the*
10 *United States, and mandating that those*
11 *lands be held in public trust, for the better-*
12 *ment of the conditions of Native Hawaiians,*
13 *as that term is defined in section 201 of the*
14 *Hawaiian Homes Commission Act, 1920*
15 *(42 Stat. 108 et seq.); and*

16 *(ii) by transferring the United States*
17 *responsibility for the administration of Ha-*
18 *waiian Home Lands to the State of Ha-*
19 *waii, but retaining the authority to enforce*
20 *the trust, including the exclusive right of the*
21 *United States to consent to any actions af-*
22 *fecting the lands which comprise the corpus*
23 *of the trust and any amendments to the Ha-*
24 *waiian Homes Commission Act, 1920 (42*
25 *Stat. 108 et seq.), enacted by the legislature*

1 *of the State of Hawaii affecting the rights*
2 *of beneficiaries under the Act;*

3 *(C) the authorization of mortgage loans in-*
4 *sured by the Federal Housing Administration for*
5 *the purchase, construction, or refinancing of*
6 *homes on Hawaiian Home Lands under the Na-*
7 *tional Housing Act (Public Law 479; 73d Con-*
8 *gress; 12 U.S.C. 1701 et seq.);*

9 *(D) authorizing Native Hawaiian represen-*
10 *tation on the National Commission on American*
11 *Indian, Alaska Native, and Native Hawaiian*
12 *Housing under Public Law 101-235;*

13 *(E) the inclusion of Native Hawaiians in*
14 *the definition under section 3764 of title 38,*
15 *United States Code, applicable to subchapter V*
16 *of chapter 37 of title 38, United States Code (re-*
17 *lating to a housing loan program for Native*
18 *American veterans); and*

19 *(F) the enactment of the Hawaiian Home*
20 *Lands Recovery Act (109 Stat. 357; 48 U.S.C.*
21 *491, note prec.) which establishes a process for*
22 *the conveyance of Federal lands to the Depart-*
23 *ment of Hawaiian Homes Lands that are equiv-*
24 *alent in value to lands acquired by the United*

1 *States from the Hawaiian Home Lands inven-*
 2 *tory.*

3 **SEC. 513. HOUSING ASSISTANCE.**

4 *The Native American Housing Assistance and Self-De-*
 5 *termination Act of 1996 (25 U.S.C. 4101 et seq.) is amend-*
 6 *ed by adding at the end the following:*

7 **“TITLE VIII—HOUSING ASSIST-**
 8 **ANCE FOR NATIVE HAWAI-**
 9 **IANS**

10 **“SEC. 801. DEFINITIONS.**

11 *“In this title:*

12 *“(1) DEPARTMENT OF HAWAIIAN HOME LANDS;*
 13 *DEPARTMENT.—The term ‘Department of Hawaiian*
 14 *Home Lands’ or ‘Department’ means the agency or*
 15 *department of the government of the State of Hawaii*
 16 *that is responsible for the administration of the Ha-*
 17 *waiian Homes Commission Act, 1920 (42 Stat. 108*
 18 *et seq.).*

19 *“(2) DIRECTOR.—The term ‘Director’ means the*
 20 *Director of the Department of Hawaiian Home*
 21 *Lands.*

22 *“(3) ELDERLY FAMILIES; NEAR-ELDERLY FAMI-*
 23 *LIES.—*

24 *“(A) IN GENERAL.—The term ‘elderly fam-*
 25 *ily’ or ‘near-elderly family’ means a family*

1 *whose head (or his or her spouse), or whose sole*
 2 *member, is—*

3 “(i) *for an elderly family, an elderly*
 4 *person; or*

5 “(ii) *for a near-elderly family, a near-*
 6 *elderly person.*

7 “(B) *CERTAIN FAMILIES INCLUDED.—The*
 8 *term ‘elderly family’ or ‘near-elderly family’*
 9 *includes—*

10 “(i) *two or more elderly persons or*
 11 *near-elderly persons, as the case may be,*
 12 *living together; and*

13 “(ii) *one or more persons described in*
 14 *clause (i) living with one or more persons*
 15 *determined under the housing plan to be es-*
 16 *sential to their care or well-being.*

17 “(4) *HAWAIIAN HOME LANDS.—The term ‘Ha-*
 18 *waiian Home Lands’ means lands that—*

19 “(A) *have the status as Hawaiian home*
 20 *lands under section 204 of the Hawaiian Homes*
 21 *Commission Act, 1920(42 Stat. 110); or*

22 “(B) *are acquired pursuant to that Act.*

23 “(5) *HOUSING AREA.—The term ‘housing area’*
 24 *means an area of Hawaiian Home Lands with re-*
 25 *spect to which the Department of Hawaiian Home*

1 *Lands is authorized to provide assistance for afford-*
2 *able housing under this Act.*

3 “(6) *HOUSING ENTITY.*—*The term ‘housing enti-*
4 *ty’ means the Department of Hawaiian Home Lands.*

5 “(7) *HOUSING PLAN.*—*The term ‘housing plan’*
6 *means a plan developed by the Department of Hawai-*
7 *ian Home Lands.*

8 “(8) *MEDIAN INCOME.*—*The term ‘median in-*
9 *come’ means, with respect to an area that is a Ha-*
10 *waiian housing area, the greater of—*

11 “(A) *the median income for the Hawaiian*
12 *housing area, which shall be determined by the*
13 *Secretary; or*

14 “(B) *the median income for the State of*
15 *Hawaii.*

16 “(9) *NATIVE HAWAIIAN.*—*The term ‘Native Ha-*
17 *waiian’ means any individual who is—*

18 “(A) *a citizen of the United States; and*

19 “(B) *a descendant of the aboriginal people,*
20 *who, prior to 1778, occupied and exercised sov-*
21 *ereignty in the area that currently constitutes*
22 *the State of Hawaii, as evidenced by—*

23 “(i) *genealogical records;*

1 “(ii) verification by kupuna (elders) or
2 kama’aina (long-term community resi-
3 dents); or

4 “(iii) birth records of the State of Ha-
5 waii.

6 **“SEC. 802. BLOCK GRANTS FOR AFFORDABLE HOUSING**
7 **ACTIVITIES.**

8 “(a) *GRANT AUTHORITY.*—For each fiscal year, the
9 Secretary shall (to the extent amounts are made available
10 to carry out this title) make a grant under this title to the
11 Department of Hawaiian Home Lands to carry out afford-
12 able housing activities for Native Hawaiian families who
13 are eligible to reside on the Hawaiian Home Lands.

14 “(b) *PLAN REQUIREMENT.*—

15 “(1) *IN GENERAL.*—The Secretary may make a
16 grant under this title to the Department of Hawaiian
17 Home Lands for a fiscal year only if—

18 “(A) the Director has submitted to the Sec-
19 retary a housing plan for that fiscal year; and

20 “(B) the Secretary has determined under
21 section 804 that the housing plan complies with
22 the requirements of section 803.

23 “(2) *WAIVER.*—The Secretary may waive the ap-
24 plicability of the requirements under paragraph (1),
25 in part, if the Secretary finds that the Department of

1 *Hawaiian Home Lands has not complied or cannot*
2 *comply with those requirements due to circumstances*
3 *beyond the control of the Department of Hawaiian*
4 *Home Lands.*

5 “(c) *USE OF AFFORDABLE HOUSING ACTIVITIES*
6 *UNDER PLAN.—Except as provided in subsection (e),*
7 *amounts provided under a grant under this section may*
8 *be used only for affordable housing activities under this title*
9 *that are consistent with a housing plan approved under sec-*
10 *tion 804.*

11 “(d) *ADMINISTRATIVE EXPENSES.—*

12 “(1) *IN GENERAL.—The Secretary shall, by regu-*
13 *lation, authorize the Department of Hawaiian Home*
14 *Lands to use a percentage of any grant amounts re-*
15 *ceived under this title for any reasonable administra-*
16 *tive and planning expenses of the Department relat-*
17 *ing to carrying out this title and activities assisted*
18 *with those amounts.*

19 “(2) *ADMINISTRATIVE AND PLANNING EX-*
20 *PENSES.—The administrative and planning expenses*
21 *referred to in paragraph (1) include—*

22 “(A) *costs for salaries of individuals en-*
23 *gaged in administering and managing affordable*
24 *housing activities assisted with grant amounts*
25 *provided under this title; and*

1 “(B) expenses incurred in preparing a
2 housing plan under section 803.

3 “(e) *PUBLIC-PRIVATE PARTNERSHIPS.*—The Director
4 shall make all reasonable efforts, consistent with the pur-
5 poses of this title, to maximize participation by the private
6 sector, including nonprofit organizations and for-profit en-
7 tities, in implementing a housing plan that has been ap-
8 proved by the Secretary under section 803.

9 “**SEC. 803. HOUSING PLAN.**

10 “(a) *PLAN SUBMISSION.*—The Secretary shall—

11 “(1) require the Director to submit a housing
12 plan under this section for each fiscal year; and

13 “(2) provide for the review of each plan sub-
14 mitted under paragraph (1).

15 “(b) *FIVE-YEAR PLAN.*—Each housing plan under this
16 section shall—

17 “(1) be in a form prescribed by the Secretary;
18 and

19 “(2) contain, with respect to the 5-year period
20 beginning with the fiscal year for which the plan is
21 submitted, the following information:

22 “(A) *MISSION STATEMENT.*—A general
23 statement of the mission of the Department of
24 Hawaiian Home Lands to serve the needs of the

1 *low-income families to be served by the Depart-*
 2 *ment.*

3 “(B) *GOAL AND OBJECTIVES.*—*A statement*
 4 *of the goals and objectives of the Department of*
 5 *Hawaiian Home Lands to enable the Depart-*
 6 *ment to serve the needs identified in subpara-*
 7 *graph (A) during the period.*

8 “(C) *ACTIVITIES PLANS.*—*An overview of*
 9 *the activities planned during the period includ-*
 10 *ing an analysis of the manner in which the ac-*
 11 *tivities will enable the Department to meet its*
 12 *mission, goals, and objectives.*

13 “(c) *ONE-YEAR PLAN.*—*A housing plan under this sec-*
 14 *tion shall—*

15 “(1) *be in a form prescribed by the Secretary;*
 16 *and*

17 “(2) *contain the following information relating*
 18 *to the fiscal year for which the assistance under this*
 19 *title is to be made available:*

20 “(A) *GOALS AND OBJECTIVES.*—*A statement*
 21 *of the goals and objectives to be accomplished*
 22 *during the period covered by the plan.*

23 “(B) *STATEMENT OF NEEDS.*—*A statement*
 24 *of the housing needs of the low-income families*
 25 *served by the Department and the means by*

1 *which those needs will be addressed during the*
2 *period covered by the plan, including—*

3 “(i) a description of the estimated
4 housing needs and the need for assistance
5 for the low-income families to be served by
6 the Department, including a description of
7 the manner in which the geographical dis-
8 tribution of assistance is consistent with—

9 “(I) the geographical needs of
10 those families; and

11 “(II) needs for various categories
12 of housing assistance; and

13 “(ii) a description of the estimated
14 housing needs for all families to be served
15 by the Department.

16 “(C) *FINANCIAL RESOURCES.*—An oper-
17 ating budget for the Department of Hawaiian
18 Home Lands, in a form prescribed by the Sec-
19 retary, that includes—

20 “(i) an identification and a descrip-
21 tion of the financial resources reasonably
22 available to the Department to carry out the
23 purposes of this title, including an expla-
24 nation of the manner in which amounts

1 *made available will be used to leverage ad-*
2 *ditional resources; and*

3 “(ii) *the uses to which the resources de-*
4 *scribed in clause (i) will be committed,*
5 *including—*

6 “(I) *eligible and required afford-*
7 *able housing activities; and*

8 “(II) *administrative expenses.*

9 “(D) *AFFORDABLE HOUSING RESOURCES.—*

10 *A statement of the affordable housing resources*
11 *currently available at the time of the submittal*
12 *of the plan and to be made available during the*
13 *period covered by the plan, including—*

14 “(i) *a description of the significant*
15 *characteristics of the housing market in the*
16 *State of Hawaii, including the availability*
17 *of housing from other public sources, private*
18 *market housing;*

19 “(ii) *the manner in which the charac-*
20 *teristics referred to in clause (i) influence*
21 *the decision of the Department of Hawaiian*
22 *Home Lands to use grant amounts to be*
23 *provided under this title for—*

24 “(I) *rental assistance;*

25 “(II) *the production of new units;*

1 “(III) the acquisition of existing
2 units; or

3 “(IV) the rehabilitation of units;

4 “(iii) a description of the structure, co-
5 ordination, and means of cooperation be-
6 tween the Department of Hawaiian Home
7 Lands and any other governmental entities
8 in the development, submission, or imple-
9 mentation of housing plans, including a de-
10 scription of—

11 “(I) the involvement of private,
12 public, and nonprofit organizations
13 and institutions;

14 “(II) the use of loan guarantees
15 under section 184A of the Housing and
16 Community Development Act of 1992;
17 and

18 “(III) other housing assistance
19 provided by the United States, includ-
20 ing loans, grants, and mortgage insur-
21 ance;

22 “(iv) a description of the manner in
23 which the plan will address the needs iden-
24 tified pursuant to subparagraph (C);

25 “(v) a description of—

1 “(I) any existing or anticipated
2 homeownership programs and rental
3 programs to be carried out during the
4 period covered by the plan; and

5 “(II) the requirements and assist-
6 ance available under the programs re-
7 ferred to in subclause (I);

8 “(vi) a description of—

9 “(I) any existing or anticipated
10 housing rehabilitation programs nec-
11 essary to ensure the long-term viability
12 of the housing to be carried out during
13 the period covered by the plan; and

14 “(II) the requirements and assist-
15 ance available under the programs re-
16 ferred to in subclause (I);

17 “(vii) a description of—

18 “(I) all other existing or antici-
19 pated housing assistance provided by
20 the Department of Hawaiian Home
21 Lands during the period covered by the
22 plan, including—

23 “(aa) transitional housing;

24 “(bb) homeless housing;

25 “(cc) college housing; and

1 “(dd) *supportive services*
2 *housing; and*

3 “(II) *the requirements and assist-*
4 *ance available under such programs;*

5 “(viii)(I) *a description of any housing*
6 *to be demolished or disposed of;*

7 “(II) *a timetable for that demolition or*
8 *disposition; and*

9 “(III) *any other information required*
10 *by the Secretary with respect to that demo-*
11 *lition or disposition;*

12 “(ix) *a description of the manner in*
13 *which the Department of Hawaiian Home*
14 *Lands will coordinate with welfare agencies*
15 *in the State of Hawaii to ensure that resi-*
16 *dents of the affordable housing will be pro-*
17 *vided with access to resources to assist in*
18 *obtaining employment and achieving self-*
19 *sufficiency;*

20 “(x) *a description of the requirements*
21 *established by the Department of Hawaiian*
22 *Home Lands to—*

23 “(I) *promote the safety of resi-*
24 *dents of the affordable housing;*

1 “(II) facilitate the undertaking of
2 *crime prevention measures;*

3 “(III) allow resident input and
4 *involvement, including the establish-*
5 *ment of resident organizations; and*

6 “(IV) allow for the coordination of
7 *crime prevention activities between the*
8 *Department and local law enforcement*
9 *officials; and*

10 “(xi) a description of the entities that
11 *will carry out the activities under the plan,*
12 *including the organizational capacity and*
13 *key personnel of the entities.*

14 “(E) CERTIFICATION OF COMPLIANCE.—
15 *Evidence of compliance that shall include, as*
16 *appropriate—*

17 “(i) a certification that the Depart-
18 *ment of Hawaiian Home Lands will com-*
19 *ply with—*

20 “(I) title VI of the Civil Rights
21 *Act of 1964 (42 U.S.C. 2000d et seq.)*
22 *or with the Fair Housing Act (42*
23 *U.S.C. 3601 et seq.) in carrying out*
24 *this title, to the extent that such title is*
25 *applicable; and*

1 “(II) other applicable Federal
2 statutes;

3 “(ii) a certification that the Depart-
4 ment will require adequate insurance cov-
5 erage for housing units that are owned and
6 operated or assisted with grant amounts
7 provided under this title, in compliance
8 with such requirements as may be estab-
9 lished by the Secretary;

10 “(iii) a certification that policies are
11 in effect and are available for review by the
12 Secretary and the public governing the eli-
13 gibility, admission, and occupancy of fami-
14 lies for housing assisted with grant amounts
15 provided under this title;

16 “(iv) a certification that policies are in
17 effect and are available for review by the
18 Secretary and the public governing rents
19 charged, including the methods by which
20 such rents or homebuyer payments are de-
21 termined, for housing assisted with grant
22 amounts provided under this title; and

23 “(v) a certification that policies are in
24 effect and are available for review by the
25 Secretary and the public governing the

1 *management and maintenance of housing*
 2 *assisted with grant amounts provided under*
 3 *this title.*

4 “(d) *APPLICABILITY OF CIVIL RIGHTS STATUTES.*—

5 “(1) *IN GENERAL.*—*To the extent that the re-*
 6 *quirements of title VI of the Civil Rights Act of 1964*
 7 *(42 U.S.C. 2000d et seq.) or of the Fair Housing Act*
 8 *(42 U.S.C. 3601 et seq.) apply to assistance provided*
 9 *under this title, nothing in the requirements con-*
 10 *cerning discrimination on the basis of race shall be*
 11 *construed to prevent the provision of assistance under*
 12 *this title—*

13 “(A) *to the Department of Hawaiian Home*
 14 *Lands on the basis that the Department served*
 15 *Native Hawaiians; or*

16 “(B) *to an eligible family on the basis that*
 17 *the family is a Native Hawaiian family.*

18 “(2) *CIVIL RIGHTS.*—*Program eligibility under*
 19 *this title may be restricted to Native Hawaiians. Sub-*
 20 *ject to the preceding sentence, no person may be dis-*
 21 *criminated against on the basis of race, color, na-*
 22 *tional origin, religion, sex, familial status, or dis-*
 23 *ability.*

24 “(e) *USE OF NONPROFIT ORGANIZATIONS.*—*As a con-*
 25 *dition of receiving grant amounts under this title, the De-*

1 *partment of Hawaiian Home Lands shall, to the extent*
 2 *practicable, provide for private nonprofit organizations ex-*
 3 *perienced in the planning and development of affordable*
 4 *housing for Native Hawaiians to carry out affordable hous-*
 5 *ing activities with those grant amounts.*

6 **“SEC. 804. REVIEW OF PLANS.**

7 *“(a) REVIEW AND NOTICE.—*

8 *“(1) REVIEW.—*

9 *“(A) IN GENERAL.—The Secretary shall*
 10 *conduct a review of a housing plan submitted to*
 11 *the Secretary under section 803 to ensure that*
 12 *the plan complies with the requirements of that*
 13 *section.*

14 *“(B) LIMITATION.—The Secretary shall*
 15 *have the discretion to review a plan referred to*
 16 *in subparagraph (A) only to the extent that the*
 17 *Secretary considers that the review is necessary.*

18 *“(2) NOTICE.—*

19 *“(A) IN GENERAL.—Not later than 60 days*
 20 *after receiving a plan under section 803, the Sec-*
 21 *retary shall notify the Director of the Depart-*
 22 *ment of Hawaiian Home Lands whether the*
 23 *plan complies with the requirements under that*
 24 *section.*

1 “(B) *EFFECT OF FAILURE OF SECRETARY*
2 *TO TAKE ACTION.*—*For purposes of this title, if*
3 *the Secretary does not notify the Director, as re-*
4 *quired under this subsection and subsection (b),*
5 *upon the expiration of the 60-day period de-*
6 *scribed in subparagraph (A)—*

7 “(i) *the plan shall be considered to*
8 *have been determined to comply with the re-*
9 *quirements under section 803; and*

10 “(ii) *the Director shall be considered to*
11 *have been notified of compliance.*

12 “(b) *NOTICE OF REASONS FOR DETERMINATION OF*
13 *NONCOMPLIANCE.*—*If the Secretary determines that a plan*
14 *submitted under section 803 does not comply with the re-*
15 *quirements of that section, the Secretary shall specify in*
16 *the notice under subsection (a)—*

17 “(1) *the reasons for noncompliance; and*

18 “(2) *any modifications necessary for the plan to*
19 *meet the requirements of section 803.*

20 “(c) *REVIEW.*—

21 “(1) *IN GENERAL.*—*After the Director of the De-*
22 *partment of Hawaiian Home Lands submits a hous-*
23 *ing plan under section 803, or any amendment or*
24 *modification to the plan to the Secretary, to the ex-*
25 *tent that the Secretary considers such action to be*

1 *necessary to make a determination under this sub-*
2 *section, the Secretary shall review the plan (including*
3 *any amendments or modifications thereto) to deter-*
4 *mine whether the contents of the plan—*

5 *“(A) set forth the information required by*
6 *section 803 to be contained in the housing plan;*

7 *“(B) are consistent with information and*
8 *data available to the Secretary; and*

9 *“(C) are not prohibited by or inconsistent*
10 *with any provision of this Act or any other ap-*
11 *plicable law.*

12 *“(2) INCOMPLETE PLANS.—If the Secretary de-*
13 *termines under this subsection that any of the appro-*
14 *priate certifications required under section*
15 *803(c)(2)(E) are not included in a plan, the plan*
16 *shall be considered to be incomplete.*

17 *“(d) UPDATES TO PLAN.—*

18 *“(1) IN GENERAL.—Subject to paragraph (2),*
19 *after a plan under section 803 has been submitted for*
20 *a fiscal year, the Director of the Department of Ha-*
21 *waiian Home Lands may comply with the provisions*
22 *of that section for any succeeding fiscal year (with re-*
23 *spect to information included for the 5-year period*
24 *under section 803(b) or for the 1-year period under*
25 *section 803(c)) by submitting only such information*

1 *regarding such changes as may be necessary to update*
 2 *the plan previously submitted.*

3 “(2) *COMPLETE PLANS.*—*The Director shall sub-*
 4 *mit a complete plan under section 803 not later than*
 5 *4 years after submitting an initial plan under that*
 6 *section, and not less frequently than every 4 years*
 7 *thereafter.*

8 “(e) *EFFECTIVE DATE.*—*This section and section 803*
 9 *shall take effect on the date provided by the Secretary pur-*
 10 *suant to section 807(a) to provide for timely submission*
 11 *and review of the housing plan as necessary for the provi-*
 12 *sion of assistance under this title for fiscal year 2001.*

13 **“SEC. 805. TREATMENT OF PROGRAM INCOME AND LABOR**
 14 **STANDARDS.**

15 “(a) *PROGRAM INCOME.*—

16 “(1) *AUTHORITY TO RETAIN.*—*The Department*
 17 *of Hawaiian Home Lands may retain any program*
 18 *income that is realized from any grant amounts re-*
 19 *ceived by the Department under this title if—*

20 “(A) *that income was realized after the ini-*
 21 *tial disbursement of the grant amounts received*
 22 *by the Department; and*

23 “(B) *the Director agrees to use the program*
 24 *income for affordable housing activities in ac-*
 25 *cordance with the provisions of this title.*

1 “(2) *PROHIBITION OF REDUCTION OF GRANT.*—
2 *The Secretary may not reduce the grant amount for*
3 *the Department of Hawaiian Home Lands based sole-*
4 *ly on—*

5 “(A) *whether the Department retains pro-*
6 *gram income under paragraph (1); or*

7 “(B) *the amount of any such program in-*
8 *come retained.*

9 “(3) *EXCLUSION OF AMOUNTS.*—*The Secretary*
10 *may, by regulation, exclude from consideration as*
11 *program income any amounts determined to be so*
12 *small that compliance with the requirements of this*
13 *subsection would create an unreasonable administra-*
14 *tive burden on the Department.*

15 “(b) *LABOR STANDARDS.*—

16 “(1) *IN GENERAL.*—*Any contract or agreement*
17 *for assistance, sale, or lease pursuant to this title*
18 *shall contain—*

19 “(A) *a provision requiring that an amount*
20 *not less than the wages prevailing in the locality,*
21 *as determined or adopted (subsequent to a deter-*
22 *mination under applicable State or local law) by*
23 *the Secretary, shall be paid to all architects,*
24 *technical engineers, draftsmen, technicians em-*
25 *ployed in the development and all maintenance,*

1 *and laborers and mechanics employed in the op-*
 2 *eration, of the affordable housing project in-*
 3 *volved; and*

4 “(B) a provision that an amount not less
 5 than the wages prevailing in the locality, as pre-
 6 determined by the Secretary of Labor pursuant
 7 to the Act commonly known as the ‘Davis-Bacon
 8 Act’ (46 Stat. 1494; chapter 411; 40 U.S.C. 276a
 9 *et seq.*) shall be paid to all laborers and mechan-
 10 ics employed in the development of the affordable
 11 housing involved.

12 “(2) *EXCEPTIONS.*—Paragraph (1) and provi-
 13 sions relating to wages required under paragraph (1)
 14 in any contract or agreement for assistance, sale, or
 15 lease under this title, shall not apply to any indi-
 16 vidual who performs the services for which the indi-
 17 vidual volunteered and who is not otherwise employed
 18 at any time in the construction work and received no
 19 compensation or is paid expenses, reasonable benefits,
 20 or a nominal fee for those services.

21 **“SEC. 806. ENVIRONMENTAL REVIEW.**

22 “(a) *IN GENERAL.*—

23 “(1) *RELEASE OF FUNDS.*—

24 “(A) *IN GENERAL.*—The Secretary may
 25 carry out the alternative environmental protec-

1 *tion procedures described in subparagraph (B)*
2 *in order to ensure—*

3 *“(i) that the policies of the National*
4 *Environmental Policy Act of 1969 (42*
5 *U.S.C. 4321 et seq.) and other provisions of*
6 *law that further the purposes of such Act*
7 *(as specified in regulations issued by the*
8 *Secretary) are most effectively implemented*
9 *in connection with the expenditure of grant*
10 *amounts provided under this title; and*

11 *“(ii) to the public undiminished pro-*
12 *tection of the environment.*

13 *“(B) ALTERNATIVE ENVIRONMENTAL PRO-*
14 *TECTION PROCEDURE.—In lieu of applying envi-*
15 *ronmental protection procedures otherwise appli-*
16 *cable, the Secretary may by regulation provide*
17 *for the release of funds for specific projects to the*
18 *Department of Hawaiian Home Lands if the Di-*
19 *rector of the Department assumes all of the re-*
20 *sponsibilities for environmental review, decision-*
21 *making, and action under the National Environ-*
22 *mental Policy Act of 1969 (42 U.S.C. 4321 et*
23 *seq.), and such other provisions of law as the reg-*
24 *ulations of the Secretary specify, that would*

1 *apply to the Secretary were the Secretary to un-*
2 *dertake those projects as Federal projects.*

3 “(2) *REGULATIONS.*—

4 “(A) *IN GENERAL.*—*The Secretary shall*
5 *issue regulations to carry out this section only*
6 *after consultation with the Council on Environ-*
7 *mental Quality.*

8 “(B) *CONTENTS.*—*The regulations issued*
9 *under this paragraph shall—*

10 “(i) *provide for the monitoring of the*
11 *environmental reviews performed under this*
12 *section;*

13 “(ii) *in the discretion of the Secretary,*
14 *facilitate training for the performance of*
15 *such reviews; and*

16 “(iii) *provide for the suspension or ter-*
17 *mination of the assumption of responsibil-*
18 *ities under this section.*

19 “(3) *EFFECT ON ASSUMED RESPONSIBILITY.*—
20 *The duty of the Secretary under paragraph (2)(B)*
21 *shall not be construed to limit or reduce any responsi-*
22 *bility assumed by the Department of Hawaiian Home*
23 *Lands for grant amounts with respect to any specific*
24 *release of funds.*

25 “(b) *PROCEDURE.*—

1 “(1) *IN GENERAL.*—*The Secretary shall author-*
2 *ize the release of funds subject to the procedures under*
3 *this section only if, not less than 15 days before that*
4 *approval and before any commitment of funds to such*
5 *projects, the Director of the Department of Hawaiian*
6 *Home Lands submits to the Secretary a request for*
7 *such release accompanied by a certification that meets*
8 *the requirements of subsection (c).*

9 “(2) *EFFECT OF APPROVAL.*—*The approval of*
10 *the Secretary of a certification described in para-*
11 *graph (1) shall be deemed to satisfy the responsibil-*
12 *ities of the Secretary under the National Environ-*
13 *mental Policy Act of 1969 (42 U.S.C. 4321 et seq.)*
14 *and such other provisions of law as the regulations of*
15 *the Secretary specify to the extent that those respon-*
16 *sibilities relate to the releases of funds for projects*
17 *that are covered by that certification.*

18 “(c) *CERTIFICATION.*—*A certification under the proce-*
19 *dures under this section shall—*

20 “(1) *be in a form acceptable to the Secretary;*

21 “(2) *be executed by the Director of the Depart-*
22 *ment of Hawaiian Home Lands;*

23 “(3) *specify that the Department of Hawaiian*
24 *Home Lands has fully carried out its responsibilities*
25 *as described under subsection (a); and*

1 “(4) specify that the Director—

2 “(A) consents to assume the status of a re-
3 sponsible Federal official under the National En-
4 vironmental Policy Act of 1969 (42 U.S.C. 4321
5 et seq.) and each provision of law specified in
6 regulations issued by the Secretary to the extent
7 that those laws apply by reason of subsection (a);
8 and

9 “(B) is authorized and consents on behalf of
10 the Department of Hawaiian Home Lands and
11 the Director to accept the jurisdiction of the Fed-
12 eral courts for the purpose of enforcement of the
13 responsibilities of the Director of the Department
14 of Hawaiian Home Lands as such an official.

15 **“SEC. 807. REGULATIONS.**

16 “The Secretary shall issue final regulations necessary
17 to carry out this title not later than October 1, 2001.

18 **“SEC. 808. EFFECTIVE DATE.**

19 “Except as otherwise expressly provided in this title,
20 this title shall take effect on the date of the enactment of
21 the American Homeownership and Economic Opportunity
22 Act of 2000.

23 **“SEC. 809. AFFORDABLE HOUSING ACTIVITIES.**

24 “(a) NATIONAL OBJECTIVES AND ELIGIBLE FAMI-
25 LIES.—

1 “(1) *PRIMARY OBJECTIVE.*—*The national objec-*
2 *tives of this title are—*

3 “(A) *to assist and promote affordable hous-*
4 *ing activities to develop, maintain, and operate*
5 *affordable housing in safe and healthy environ-*
6 *ments for occupancy by low-income Native Ha-*
7 *waiian families;*

8 “(B) *to ensure better access to private mort-*
9 *gage markets and to promote self-sufficiency of*
10 *low-income Native Hawaiian families;*

11 “(C) *to coordinate activities to provide*
12 *housing for low-income Native Hawaiian fami-*
13 *lies with Federal, State and local activities to*
14 *further economic and community development;*

15 “(D) *to plan for and integrate infrastruc-*
16 *ture resources on the Hawaiian Home Lands*
17 *with housing development; and*

18 “(E) *to—*

19 “(i) *promote the development of private*
20 *capital markets; and*

21 “(ii) *allow the markets referred to in*
22 *clause (i) to operate and grow, thereby bene-*
23 *fitting Native Hawaiian communities.*

24 “(2) *ELIGIBLE FAMILIES.*—

1 “(A) *IN GENERAL.*—*Except as provided*
2 *under subparagraph (B), assistance for eligible*
3 *housing activities under this title shall be limited*
4 *to low-income Native Hawaiian families.*

5 “(B) *EXCEPTION TO LOW-INCOME REQUIRE-*
6 *MENT.*—

7 “(i) *IN GENERAL.*—*The Director may*
8 *provide assistance for homeownership ac-*
9 *tivities under—*

10 “(I) *section 810(b);*

11 “(II) *model activities under sec-*
12 *tion 810(f); or*

13 “(III) *loan guarantee activities*
14 *under section 184A of the Housing and*
15 *Community Development Act of 1992*
16 *to Native Hawaiian families who are*
17 *not low-income families, to the extent*
18 *that the Secretary approves the activi-*
19 *ties under that section to address a*
20 *need for housing for those families that*
21 *cannot be reasonably met without that*
22 *assistance.*

23 “(ii) *LIMITATIONS.*—*The Secretary*
24 *shall establish limitations on the amount of*
25 *assistance that may be provided under this*

1 *title for activities for families that are not*
2 *low-income families.*

3 “(C) *OTHER FAMILIES.*—*Notwithstanding*
4 *paragraph (1), the Director may provide housing*
5 *or housing assistance provided through affordable*
6 *housing activities assisted with grant amounts*
7 *under this title to a family that is not composed*
8 *of Native Hawaiians if—*

9 “(i) *the Department determines that*
10 *the presence of the family in the housing in-*
11 *volved is essential to the well-being of Na-*
12 *tive Hawaiian families; and*

13 “(ii) *the need for housing for the fam-*
14 *ily cannot be reasonably met without the*
15 *assistance.*

16 “(D) *PREFERENCE.*—

17 “(i) *IN GENERAL.*—*A housing plan*
18 *submitted under section 803 may authorize*
19 *a preference, for housing or housing assist-*
20 *ance provided through affordable housing*
21 *activities assisted with grant amounts pro-*
22 *vided under this title to be provided, to the*
23 *extent practicable, to families that are eligi-*
24 *ble to reside on the Hawaiian Home Lands.*

1 “(i) *APPLICATION.*—*In any case in*
2 *which a housing plan provides for pref-*
3 *erence described in clause (i), the Director*
4 *shall ensure that housing activities that are*
5 *assisted with grant amounts under this title*
6 *are subject to that preference.*

7 “(E) *USE OF NONPROFIT ORGANIZA-*
8 *TIONS.*—*As a condition of receiving grant*
9 *amounts under this title, the Department of Ha-*
10 *waiian Home Lands, shall to the extent prac-*
11 *ticable, provide for private nonprofit organiza-*
12 *tions experienced in the planning and develop-*
13 *ment of affordable housing for Native Hawaiians*
14 *to carry out affordable housing activities with*
15 *those grant amounts.*

16 **“SEC. 810. ELIGIBLE AFFORDABLE HOUSING ACTIVITIES.**

17 “(a) *IN GENERAL.*—*Affordable housing activities*
18 *under this section are activities conducted in accordance*
19 *with the requirements of section 811 to—*

20 “(1) *develop or to support affordable housing for*
21 *rental or homeownership; or*

22 “(2) *provide housing services with respect to af-*
23 *fordable housing, through the activities described in*
24 *subsection (b).*

1 “(b) *ACTIVITIES.*—*The activities described in this sub-*
2 *section are the following:*

3 “(1) *DEVELOPMENT.*—*The acquisition, new con-*
4 *struction, reconstruction, or moderate or substantial*
5 *rehabilitation of affordable housing, which may*
6 *include—*

7 “(A) *real property acquisition;*

8 “(B) *site improvement;*

9 “(C) *the development of utilities and utility*
10 *services;*

11 “(D) *conversion;*

12 “(E) *demolition;*

13 “(F) *financing;*

14 “(G) *administration and planning; and*

15 “(H) *other related activities.*

16 “(2) *HOUSING SERVICES.*—*The provision of*
17 *housing-related services for affordable housing,*
18 *including—*

19 “(A) *housing counseling in connection with*
20 *rental or homeownership assistance;*

21 “(B) *the establishment and support of resi-*
22 *dent organizations and resident management*
23 *corporations;*

24 “(C) *energy auditing;*

1 “(D) activities related to the provisions of
2 self-sufficiency and other services; and

3 “(E) other services related to assisting own-
4 ers, tenants, contractors, and other entities par-
5 ticipating or seeking to participate in other
6 housing activities assisted pursuant to this sec-
7 tion.

8 “(3) HOUSING MANAGEMENT SERVICES.—The
9 provision of management services for affordable hous-
10 ing, including—

11 “(A) the preparation of work specifications;

12 “(B) loan processing;

13 “(C) inspections;

14 “(D) tenant selection;

15 “(E) management of tenant-based rental as-
16 sistance; and

17 “(F) management of affordable housing
18 projects.

19 “(4) CRIME PREVENTION AND SAFETY ACTIVI-
20 TIES.—The provision of safety, security, and law en-
21 forcement measures and activities appropriate to pro-
22 tect residents of affordable housing from crime.

23 “(5) MODEL ACTIVITIES.—Housing activities
24 under model programs that are—

1 “(A) *designed to carry out the purposes of*
2 *this title; and*

3 “(B) *specifically approved by the Secretary*
4 *as appropriate for the purpose referred to in sub-*
5 *paragraph (A).*

6 **“SEC. 811. PROGRAM REQUIREMENTS.**

7 “(a) *RENTS.—*

8 “(1) *ESTABLISHMENT.—Subject to paragraph*
9 *(2), as a condition to receiving grant amounts under*
10 *this title, the Director shall develop written policies*
11 *governing rents and homebuyer payments charged for*
12 *dwelling units assisted under this title, including*
13 *methods by which such rents and homebuyer pay-*
14 *ments are determined.*

15 “(2) *MAXIMUM RENT.—In the case of any low-*
16 *income family residing in a dwelling unit assisted*
17 *with grant amounts under this title, the monthly rent*
18 *or homebuyer payment (as applicable) for that dwell-*
19 *ing unit may not exceed 30 percent of the monthly*
20 *adjusted income of that family.*

21 “(b) *MAINTENANCE AND EFFICIENT OPERATION.—*

22 “(1) *IN GENERAL.—The Director shall, using*
23 *amounts of any grants received under this title, re-*
24 *serve and use for operating under section 810 such*
25 *amounts as may be necessary to provide for the con-*

1 *tinued maintenance and efficient operation of such*
2 *housing.*

3 “(2) *DISPOSAL OF CERTAIN HOUSING.*—*This*
4 *subsection may not be construed to prevent the Direc-*
5 *tor, or any entity funded by the Department, from de-*
6 *molishing or disposing of housing, pursuant to regu-*
7 *lations established by the Secretary.*

8 “(c) *INSURANCE COVERAGE.*—*As a condition to receiv-*
9 *ing grant amounts under this title, the Director shall re-*
10 *quire adequate insurance coverage for housing units that*
11 *are owned or operated or assisted with grant amounts pro-*
12 *vided under this title.*

13 “(d) *ELIGIBILITY FOR ADMISSION.*—*As a condition to*
14 *receiving grant amounts under this title, the Director shall*
15 *develop written policies governing the eligibility, admission,*
16 *and occupancy of families for housing assisted with grant*
17 *amounts provided under this title.*

18 “(e) *MANAGEMENT AND MAINTENANCE.*—*As a condi-*
19 *tion to receiving grant amounts under this title, the Direc-*
20 *tor shall develop policies governing the management and*
21 *maintenance of housing assisted with grant amounts under*
22 *this title.*

1 **“SEC. 812. TYPES OF INVESTMENTS.**

2 “(a) *IN GENERAL.*—Subject to section 811 and an ap-
3 plicable housing plan approved under section 803, the Di-
4 rector shall have—

5 “(1) the discretion to use grant amounts for af-
6 fordable housing activities through the use of—

7 “(A) equity investments;

8 “(B) interest-bearing loans or advances;

9 “(C) noninterest-bearing loans or advances;

10 “(D) interest subsidies;

11 “(E) the leveraging of private investments;

12 or

13 “(F) any other form of assistance that the
14 Secretary determines to be consistent with the
15 purposes of this title; and

16 “(2) the right to establish the terms of assistance
17 provided with funds referred to in paragraph (1).

18 “(b) *INVESTMENTS.*—The Director may invest grant
19 amounts for the purposes of carrying out affordable housing
20 activities in investment securities and other obligations, as
21 approved by the Secretary.

22 **“SEC. 813. LOW-INCOME REQUIREMENT AND INCOME TAR-**
23 **GETING.**

24 “(a) *IN GENERAL.*—Housing shall qualify for afford-
25 able housing for purposes of this title only if—

26 “(1) each dwelling unit in the housing—

1 “(A) in the case of rental housing, is made
2 available for occupancy only by a family that is
3 a low-income family at the time of the initial oc-
4 cupancy of that family of that unit; and

5 “(B) in the case of housing for homeowner-
6 ship, is made available for purchase only by a
7 family that is a low-income family at the time
8 of purchase; and

9 “(2) each dwelling unit in the housing will re-
10 main affordable, according to binding commitments
11 satisfactory to the Secretary, for—

12 “(A) the remaining useful life of the prop-
13 erty (as determined by the Secretary) without re-
14 gard to the term of the mortgage or to transfer
15 of ownership; or

16 “(B) such other period as the Secretary de-
17 termines is the longest feasible period of time
18 consistent with sound economics and the pur-
19 poses of this title, except upon a foreclosure by
20 a lender (or upon other transfer in lieu of fore-
21 closure) if that action—

22 “(i) recognizes any contractual or legal
23 rights of any public agency, nonprofit spon-
24 sor, or other person or entity to take an ac-
25 tion that would—

1 “(I) avoid termination of low-in-
2 come affordability, in the case of fore-
3 closure; or

4 “(II) transfer ownership in lieu of
5 foreclosure; and

6 “(ii) is not for the purpose of avoiding
7 low-income affordability restrictions, as de-
8 termined by the Secretary.

9 “(b) *EXCEPTION.*—Notwithstanding subsection (a),
10 housing assisted pursuant to section 809(a)(2)(B) shall be
11 considered affordable housing for purposes of this title.

12 “**SEC. 814. LEASE REQUIREMENTS AND TENANT SELECTION.**

13 “(a) *LEASES.*—Except to the extent otherwise provided
14 by or inconsistent with the laws of the State of Hawaii,
15 in renting dwelling units in affordable housing assisted
16 with grant amounts provided under this title, the Director,
17 owner, or manager shall use leases that—

18 “(1) do not contain unreasonable terms and con-
19 ditions;

20 “(2) require the Director, owner, or manager to
21 maintain the housing in compliance with applicable
22 housing codes and quality standards;

23 “(3) require the Director, owner, or manager to
24 give adequate written notice of termination of the

1 *lease, which shall be the period of time required under*
2 *applicable State or local law;*

3 “(4) *specify that, with respect to any notice of*
4 *eviction or termination, notwithstanding any State or*
5 *local law, a resident shall be informed of the oppor-*
6 *tunity, before any hearing or trial, to examine any*
7 *relevant documents, record, or regulations directly re-*
8 *lated to the eviction or termination;*

9 “(5) *require that the Director, owner, or man-*
10 *ager may not terminate the tenancy, during the term*
11 *of the lease, except for serious or repeated violation of*
12 *the terms and conditions of the lease, violation of ap-*
13 *plicable Federal, State, or local law, or for other good*
14 *cause; and*

15 “(6) *provide that the Director, owner, or man-*
16 *ager may terminate the tenancy of a resident for any*
17 *activity, engaged in by the resident, any member of*
18 *the household of the resident, or any guest or other*
19 *person under the control of the resident, that—*

20 “(A) *threatens the health or safety of, or*
21 *right to peaceful enjoyment of the premises by,*
22 *other residents or employees of the Department,*
23 *owner, or manager;*

24 “(B) *threatens the health or safety of, or*
25 *right to peaceful enjoyment of their premises by,*

1 *persons residing in the immediate vicinity of the*
2 *premises; or*

3 *“(C) is criminal activity (including drug-*
4 *related criminal activity) on or off the premises.*

5 *“(b) TENANT OR HOMEBUYER SELECTION.—As a con-*
6 *dition to receiving grant amounts under this title, the Di-*
7 *rector shall adopt and use written tenant and homebuyer*
8 *selection policies and criteria that—*

9 *“(1) are consistent with the purpose of providing*
10 *housing for low-income families;*

11 *“(2) are reasonably related to program eligibility*
12 *and the ability of the applicant to perform the obliga-*
13 *tions of the lease; and*

14 *“(3) provide for—*

15 *“(A) the selection of tenants and home-*
16 *buyers from a written waiting list in accordance*
17 *with the policies and goals set forth in an appli-*
18 *cable housing plan approved under section 803;*
19 *and*

20 *“(B) the prompt notification in writing of*
21 *any rejected applicant of the grounds for that re-*
22 *jection.*

23 **“SEC. 815. REPAYMENT.**

24 *“If the Department of Hawaiian Home Lands uses*
25 *grant amounts to provide affordable housing under activi-*

1 *ties under this title and, at any time during the useful life*
2 *of the housing, the housing does not comply with the re-*
3 *quirement under section 813(a)(2), the Secretary shall—*

4 “(1) *reduce future grant payments on behalf of*
5 *the Department by an amount equal to the grant*
6 *amounts used for that housing (under the authority*
7 *of section 819(a)(2)); or*

8 “(2) *require repayment to the Secretary of any*
9 *amount equal to those grant amounts.*

10 **“SEC. 816. ANNUAL ALLOCATION.**

11 *“For each fiscal year, the Secretary shall allocate any*
12 *amounts made available for assistance under this title for*
13 *the fiscal year, in accordance with the formula established*
14 *pursuant to section 817 to the Department of Hawaiian*
15 *Home Lands if the Department complies with the require-*
16 *ments under this title for a grant under this title.*

17 **“SEC. 817. ALLOCATION FORMULA.**

18 “(a) *ESTABLISHMENT.—The Secretary shall, by regu-*
19 *lation issued not later than the expiration of the 6-month*
20 *period beginning on the date of the enactment of the Amer-*
21 *ican Homeownership and Economic Opportunity Act of*
22 *2000, in the manner provided under section 807, establish*
23 *a formula to provide for the allocation of amounts available*
24 *for a fiscal year for block grants under this title in accord-*
25 *ance with the requirements of this section.*

1 “(b) *FACTORS FOR DETERMINATION OF NEED.*—The
2 *formula under subsection (a) shall be based on factors that*
3 *reflect the needs for assistance for affordable housing activi-*
4 *ties, including—*

5 “(1) *the number of low-income dwelling units*
6 *owned or operated at the time pursuant to a contract*
7 *between the Director and the Secretary;*

8 “(2) *the extent of poverty and economic distress*
9 *and the number of Native Hawaiian families eligible*
10 *to reside on the Hawaiian Home Lands; and*

11 “(3) *any other objectively measurable conditions*
12 *that the Secretary and the Director may specify.*

13 “(c) *OTHER FACTORS FOR CONSIDERATION.*—In es-
14 *tablishing the formula under subsection (a), the Secretary*
15 *shall consider the relative administrative capacities of the*
16 *Department of Hawaiian Home Lands and other challenges*
17 *faced by the Department, including—*

18 “(1) *geographic distribution within Hawaiian*
19 *Home Lands; and*

20 “(2) *technical capacity.*

21 “(d) *EFFECTIVE DATE.*—*This section shall take effect*
22 *on the date of the enactment of the American Homeowner-*
23 *ship and Economic Opportunity Act of 2000.*

1 **“SEC. 818. REMEDIES FOR NONCOMPLIANCE.**

2 “(a) *ACTIONS BY SECRETARY AFFECTING GRANT*
3 *AMOUNTS.—*

4 “(1) *IN GENERAL.—Except as provided in sub-*
5 *section (b), if the Secretary finds after reasonable no-*
6 *tice and opportunity for a hearing that the Depart-*
7 *ment of Hawaiian Home Lands has failed to comply*
8 *substantially with any provision of this title, the Sec-*
9 *retary shall—*

10 “(A) *terminate payments under this title to*
11 *the Department;*

12 “(B) *reduce payments under this title to the*
13 *Department by an amount equal to the amount*
14 *of such payments that were not expended in ac-*
15 *cordance with this title; or*

16 “(C) *limit the availability of payments*
17 *under this title to programs, projects, or activi-*
18 *ties not affected by such failure to comply.*

19 “(2) *ACTIONS.—If the Secretary takes an action*
20 *under subparagraph (A), (B), or (C) of paragraph*
21 *(1), the Secretary shall continue that action until the*
22 *Secretary determines that the failure by the Depart-*
23 *ment to comply with the provision has been remedied*
24 *by the Department and the Department is in compli-*
25 *ance with that provision.*

1 “(b) *NONCOMPLIANCE BECAUSE OF A TECHNICAL IN-*
2 *CAPACITY.*—*The Secretary may provide technical assistance*
3 *for the Department, either directly or indirectly, that is de-*
4 *signed to increase the capability and capacity of the Direc-*
5 *tor of the Department to administer assistance provided*
6 *under this title in compliance with the requirements under*
7 *this title if the Secretary makes a finding under subsection*
8 *(a), but determines that the failure of the Department to*
9 *comply substantially with the provisions of this title—*

10 “(1) *is not a pattern or practice of activities*
11 *constituting willful noncompliance; and*

12 “(2) *is a result of the limited capability or ca-*
13 *capacity of the Department of Hawaiian Home Lands.*

14 “(c) *REFERRAL FOR CIVIL ACTION.*—

15 “(1) *AUTHORITY.*—*In lieu of, or in addition to,*
16 *any action that the Secretary may take under sub-*
17 *section (a), if the Secretary has reason to believe that*
18 *the Department of Hawaiian Home Lands has failed*
19 *to comply substantially with any provision of this*
20 *title, the Secretary may refer the matter to the Attor-*
21 *ney General of the United States with a recommenda-*
22 *tion that an appropriate civil action be instituted.*

23 “(2) *CIVIL ACTION.*—*Upon receiving a referral*
24 *under paragraph (1), the Attorney General may bring*
25 *a civil action in any United States district court of*

1 *appropriate jurisdiction for such relief as may be ap-*
2 *propriate, including an action—*

3 “(A) *to recover the amount of the assistance*
4 *furnished under this title that was not expended*
5 *in accordance with this title; or*

6 “(B) *for mandatory or injunctive relief.*

7 “(d) *REVIEW.—*

8 “(1) *IN GENERAL.—If the Director receives no-*
9 *tice under subsection (a) of the termination, reduc-*
10 *tion, or limitation of payments under this Act, the*
11 *Director—*

12 “(A) *may, not later than 60 days after re-*
13 *ceiving such notice, file with the United States*
14 *Court of Appeals for the Ninth Circuit, or in the*
15 *United States Court of Appeals for the District*
16 *of Columbia, a petition for review of the action*
17 *of the Secretary; and*

18 “(B) *upon the filing of any petition under*
19 *subparagraph (A), shall forthwith transmit cop-*
20 *ies of the petition to the Secretary and the Attor-*
21 *ney General of the United States, who shall rep-*
22 *resent the Secretary in the litigation.*

23 “(2) *PROCEDURE.—*

24 “(A) *IN GENERAL.—The Secretary shall file*
25 *in the court a record of the proceeding on which*

1 *the Secretary based the action, as provided in*
2 *section 2112 of title 28, United States Code.*

3 “(B) *OBJECTIONS.*—*No objection to the ac-*
4 *tion of the Secretary shall be considered by the*
5 *court unless the Department has registered the*
6 *objection before the Secretary.*

7 “(3) *DISPOSITION.*—

8 “(A) *COURT PROCEEDINGS.*—

9 “(i) *JURISDICTION OF COURT.*—*The*
10 *court shall have jurisdiction to affirm or*
11 *modify the action of the Secretary or to set*
12 *the action aside in whole or in part.*

13 “(ii) *FINDINGS OF FACT.*—*If supported*
14 *by substantial evidence on the record con-*
15 *sidered as a whole, the findings of fact by*
16 *the Secretary shall be conclusive.*

17 “(iii) *ADDITION.*—*The court may*
18 *order evidence, in addition to the evidence*
19 *submitted for review under this subsection,*
20 *to be taken by the Secretary, and to be*
21 *made part of the record.*

22 “(B) *SECRETARY.*—

23 “(i) *IN GENERAL.*—*The Secretary, by*
24 *reason of the additional evidence referred to*

1 *in subparagraph (A) and filed with the*
2 *court—*

3 “(I) *may—*

4 “(aa) *modify the findings of*
5 *fact of the Secretary; or*

6 “(bb) *make new findings;*
7 *and*

8 “(II) *shall file—*

9 “(aa) *such modified or new*
10 *findings; and*

11 “(bb) *the recommendation of*
12 *the Secretary, if any, for the*
13 *modification or setting aside of*
14 *the original action of the Sec-*
15 *retary.*

16 “(ii) *FINDINGS.—The findings referred*
17 *to in clause (i)(II)(bb) shall, with respect to*
18 *a question of fact, be considered to be con-*
19 *clusive if those findings are—*

20 “(I) *supported by substantial evi-*
21 *dence on the record; and*

22 “(II) *considered as a whole.*

23 “(4) *FINALITY.—*

1 “(A) *IN GENERAL.*—*Except as provided in*
2 *subparagraph (B), upon the filing of the record*
3 *under this subsection with the court—*

4 “(i) *the jurisdiction of the court shall*
5 *be exclusive; and*

6 “(ii) *the judgment of the court shall be*
7 *final.*

8 “(B) *REVIEW BY SUPREME COURT.*—*A*
9 *judgment under subparagraph (A) shall be sub-*
10 *ject to review by the Supreme Court of the*
11 *United States upon writ of certiorari or certifi-*
12 *cation, as provided in section 1254 of title 28,*
13 *United States Code.*

14 **“SEC. 819. MONITORING OF COMPLIANCE.**

15 “(a) *ENFORCEABLE AGREEMENTS.*—

16 “(1) *IN GENERAL.*—*The Director, through bind-*
17 *ing contractual agreements with owners or other au-*
18 *thorized entities, shall ensure long-term compliance*
19 *with the provisions of this title.*

20 “(2) *MEASURES.*—*The measures referred to in*
21 *paragraph (1) shall provide for—*

22 “(A) *to the extent allowable by Federal and*
23 *State law, the enforcement of the provisions of*
24 *this title by the Department and the Secretary;*
25 *and*

1 “(B) remedies for breach of the provisions
2 referred to in paragraph (1).

3 “(b) *PERIODIC MONITORING.*—

4 “(1) *IN GENERAL.*—Not less frequently than an-
5 nually, the Director shall review the activities con-
6 ducted and housing assisted under this title to assess
7 compliance with the requirements of this title.

8 “(2) *REVIEW.*—Each review under paragraph
9 (1) shall include onsite inspection of housing to deter-
10 mine compliance with applicable requirements.

11 “(3) *RESULTS.*—The results of each review under
12 paragraph (1) shall be—

13 “(A) included in a performance report of
14 the Director submitted to the Secretary under
15 section 820; and

16 “(B) made available to the public.

17 “(c) *PERFORMANCE MEASURES.*—The Secretary shall
18 establish such performance measures as may be necessary
19 to assess compliance with the requirements of this title.

20 “**SEC. 820. PERFORMANCE REPORTS.**

21 “(a) *REQUIREMENT.*—For each fiscal year, the Direc-
22 tor shall—

23 “(1) review the progress the Department has
24 made during that fiscal year in carrying out the

1 *housing plan submitted by the Department under sec-*
2 *tion 803; and*

3 “(2) *submit a report to the Secretary (in a form*
4 *acceptable to the Secretary) describing the conclusions*
5 *of the review.*

6 “(b) *CONTENT.—Each report submitted under this sec-*
7 *tion for a fiscal year shall—*

8 “(1) *describe the use of grant amounts provided*
9 *to the Department of Hawaiian Home Lands for that*
10 *fiscal year;*

11 “(2) *assess the relationship of the use referred to*
12 *in paragraph (1) to the goals identified in the hous-*
13 *ing plan;*

14 “(3) *indicate the programmatic accomplishments*
15 *of the Department; and*

16 “(4) *describe the manner in which the Depart-*
17 *ment would change its housing plan submitted under*
18 *section 803 as a result of its experiences.*

19 “(c) *SUBMISSIONS.—The Secretary shall—*

20 “(1) *establish a date for submission of each re-*
21 *port under this section;*

22 “(2) *review each such report; and*

23 “(3) *with respect to each such report, make rec-*
24 *ommendations as the Secretary considers appropriate*
25 *to carry out the purposes of this title.*

1 “(d) *PUBLIC AVAILABILITY.*—

2 “(1) *COMMENTS BY BENEFICIARIES.*—*In pre-*
 3 *paring a report under this section, the Director shall*
 4 *make the report publicly available to the beneficiaries*
 5 *of the Hawaiian Homes Commission Act, 1920 (42*
 6 *Stat. 108 et seq.) and give a sufficient amount of time*
 7 *to permit those beneficiaries to comment on that re-*
 8 *port before it is submitted to the Secretary (in such*
 9 *manner and at such time as the Director may deter-*
 10 *mine).*

11 “(2) *SUMMARY OF COMMENTS.*—*The report shall*
 12 *include a summary of any comments received by the*
 13 *Director from beneficiaries under paragraph (1) re-*
 14 *garding the program to carry out the housing plan.*

15 **“SEC. 821. REVIEW AND AUDIT BY SECRETARY.**

16 “(a) *ANNUAL REVIEW.*—

17 “(1) *IN GENERAL.*—*The Secretary shall, not less*
 18 *frequently than on an annual basis, make such re-*
 19 *views and audits as may be necessary or appropriate*
 20 *to determine whether—*

21 “(A) *the Director has—*

22 “(i) *carried out eligible activities*
 23 *under this title in a timely manner;*

24 “(ii) *carried out and made certifi-*
 25 *cations in accordance with the requirements*

1 and the primary objectives of this title and
2 with other applicable laws; and

3 “(iii) a continuing capacity to carry
4 out the eligible activities in a timely man-
5 ner;

6 “(B) the Director has complied with the
7 housing plan submitted by the Director under
8 section 803; and

9 “(C) the performance reports of the Depart-
10 ment under section 821 are accurate.

11 “(2) *ONSITE VISITS.*—Each review conducted
12 under this section shall, to the extent practicable, in-
13 clude onsite visits by employees of the Department of
14 Housing and Urban Development.

15 “(b) *REPORT BY SECRETARY.*—The Secretary shall
16 give the Department of Hawaiian Home Lands not less
17 than 30 days to review and comment on a report under
18 this subsection. After taking into consideration the com-
19 ments of the Department, the Secretary may revise the re-
20 port and shall make the comments of the Department and
21 the report with any revisions, readily available to the public
22 not later than 30 days after receipt of the comments of the
23 Department.

24 “(c) *EFFECT OF REVIEWS.*—The Secretary may make
25 appropriate adjustments in the amount of annual grants

1 *under this title in accordance with the findings of the Sec-*
2 *retary pursuant to reviews and audits under this section.*
3 *The Secretary may adjust, reduce, or withdraw grant*
4 *amounts, or take other action as appropriate in accordance*
5 *with the reviews and audits of the Secretary under this sec-*
6 *tion, except that grant amounts already expended on afford-*
7 *able housing activities may not be recaptured or deducted*
8 *from future assistance provided to the Department of Ha-*
9 *waiian Home Lands.*

10 **“SEC. 822. GENERAL ACCOUNTING OFFICE AUDITS.**

11 *“To the extent that the financial transactions of the*
12 *Department of Hawaiian Home Lands involving grant*
13 *amounts under this title relate to amounts provided under*
14 *this title, those transactions may be audited by the Comp-*
15 *troller General of the United States under such regulations*
16 *as may be prescribed by the Comptroller General. The*
17 *Comptroller General of the United States shall have access*
18 *to all books, accounts, records, reports, files, and other pa-*
19 *pers, things, or property belonging to or in use by the De-*
20 *partment of Hawaiian Home Lands pertaining to such fi-*
21 *nancial transactions and necessary to facilitate the audit.*

22 **“SEC. 823. REPORTS TO CONGRESS.**

23 *“(a) IN GENERAL.—Not later than 90 days after the*
24 *conclusion of each fiscal year in which assistance under this*

1 *title is made available, the Secretary shall submit to Con-*
 2 *gress a report that contains—*

3 “(1) *a description of the progress made in ac-*
 4 *complishing the objectives of this title;*

5 “(2) *a summary of the use of funds available*
 6 *under this title during the preceding fiscal year; and*

7 “(3) *a description of the aggregate outstanding*
 8 *loan guarantees under section 184A of the Housing*
 9 *and Community Development Act of 1992.*

10 “(b) *RELATED REPORTS.—The Secretary may require*
 11 *the Director to submit to the Secretary such reports and*
 12 *other information as may be necessary in order for the Sec-*
 13 *retary to prepare the report required under subsection (a).*

14 **“SEC. 824. AUTHORIZATION OF APPROPRIATIONS.**

15 *“There are authorized to be appropriated to the De-*
 16 *partment of Housing and Urban Development for grants*
 17 *under this title such sums as may be necessary for each*
 18 *of fiscal years 2001, 2002, 2003, 2004, and 2005.”.*

19 **SEC. 514. LOAN GUARANTEES.**

20 *Subtitle E of title I of the Housing and Community*
 21 *Development Act of 1992 is amended by inserting after sec-*
 22 *tion 184 (12 U.S.C. 1715z–13a) the following:*

23 **“SEC. 184A. LOAN GUARANTEES FOR NATIVE HAWAIIAN**
 24 **HOUSING.**

25 “(a) *DEFINITIONS.—In this section:*

1 “(1) *DEPARTMENT OF HAWAIIAN HOME LANDS.*—
2 *The term ‘Department of Hawaiian Home Lands’*
3 *means the agency or department of the government of*
4 *the State of Hawaii that is responsible for the admin-*
5 *istration of the Hawaiian Homes Commission Act,*
6 *1920 (42 Stat. 108 et seq.).*

7 “(2) *ELIGIBLE ENTITY.*—*The term ‘eligible enti-*
8 *ty’ means a Native Hawaiian family, the Department*
9 *of Hawaiian Home Lands, the Office of Hawaiian*
10 *Affairs, and private nonprofit or private for-profit or-*
11 *ganizations experienced in the planning and develop-*
12 *ment of affordable housing for Native Hawaiians.*

13 “(3) *FAMILY.*—*The term ‘family’ means one or*
14 *more persons maintaining a household, as the Sec-*
15 *retary shall by regulation provide.*

16 “(4) *GUARANTEE FUND.*—*The term ‘Guarantee*
17 *Fund’ means the Native Hawaiian Housing Loan*
18 *Guarantee Fund established under subsection (i).*

19 “(5) *HAWAIIAN HOME LANDS.*—*The term ‘Ha-*
20 *waiian Home Lands’ means lands that—*

21 “(A) *have the status of Hawaiian Home*
22 *Lands under section 204 of the Hawaiian Homes*
23 *Commission Act (42 Stat. 110); or*

24 “(B) *are acquired pursuant to that Act.*

1 “(6) *NATIVE HAWAIIAN.*—*The term ‘Native Ha-*
 2 *waiian’ means any individual who is—*

3 “(A) *a citizen of the United States; and*

4 “(B) *a descendant of the aboriginal people,*
 5 *who, prior to 1778, occupied and exercised sov-*
 6 *ereignty in the area that currently constitutes*
 7 *the State of Hawaii, as evidenced by—*

8 “(i) *genealogical records;*

9 “(ii) *verification by kupuna (elders) or*
 10 *kama’aina (long-term community resi-*
 11 *dents); or*

12 “(iii) *birth records of the State of Ha-*
 13 *waii.*

14 “(7) *OFFICE OF HAWAIIAN AFFAIRS.*—*The term*
 15 *‘Office of Hawaiian Affairs’ means the entity of that*
 16 *name established under the constitution of the State*
 17 *of Hawaii.*

18 “(b) *AUTHORITY.*—*To provide access to sources of pri-*
 19 *vate financing to Native Hawaiian families who otherwise*
 20 *could not acquire housing financing because of the unique*
 21 *legal status of the Hawaiian Home Lands or as a result*
 22 *of a lack of access to private financial markets, the Sec-*
 23 *retary may guarantee an amount not to exceed 100 percent*
 24 *of the unpaid principal and interest that is due on an eligi-*
 25 *ble loan under subsection (b).*

1 “(c) *ELIGIBLE LOANS.*—Under this section, a loan is
 2 an eligible loan if that loan meets the following require-
 3 ments:

4 “(1) *ELIGIBLE BORROWERS.*—The loan is made
 5 only to a borrower who is—

6 “(A) a Native Hawaiian family;

7 “(B) the Department of Hawaiian Home
 8 Lands;

9 “(C) the Office of Hawaiian Affairs; or

10 “(D) a private nonprofit organization expe-
 11 rienced in the planning and development of af-
 12 fordable housing for Native Hawaiians.

13 “(2) *ELIGIBLE HOUSING.*—

14 “(A) *IN GENERAL.*—The loan will be used
 15 to construct, acquire, or rehabilitate not more
 16 than 4-family dwellings that are standard hous-
 17 ing and are located on Hawaiian Home Lands
 18 for which a housing plan described in subpara-
 19 graph (B) applies.

20 “(B) *HOUSING PLAN.*—A housing plan de-
 21 scribed in this subparagraph is a housing plan
 22 that—

23 “(i) has been submitted and approved
 24 by the Secretary under section 803 of the

1 *Native American Housing Assistance and*
2 *Self-Determination Act of 1996; and*

3 “(ii) *provides for the use of loan guar-*
4 *antees under this section to provide afford-*
5 *able homeownership housing on Hawaiian*
6 *Home Lands.*

7 “(3) *SECURITY.—The loan may be secured by*
8 *any collateral authorized under applicable Federal or*
9 *State law.*

10 “(4) *LENDERS.—*

11 “(A) *IN GENERAL.—The loan shall be made*
12 *only by a lender approved by, and meeting*
13 *qualifications established by, the Secretary, in-*
14 *cluding any lender described in subparagraph*
15 *(B), except that a loan otherwise insured or*
16 *guaranteed by an agency of the Federal Govern-*
17 *ment or made by the Department of Hawaiian*
18 *Home Lands from amounts borrowed from the*
19 *United States shall not be eligible for a guar-*
20 *antee under this section.*

21 “(B) *APPROVAL.—The following lenders*
22 *shall be considered to be lenders that have been*
23 *approved by the Secretary:*

24 “(i) *Any mortgagee approved by the*
25 *Secretary for participation in the single*

1 *family mortgage insurance program under*
2 *title II of the National Housing Act (12*
3 *U.S.C.A. 1707 et seq.).*

4 “(ii) *Any lender that makes housing*
5 *loans under chapter 37 of title 38, United*
6 *States Code, that are automatically guaran-*
7 *teed under section 3702(d) of title 38,*
8 *United States Code.*

9 “(iii) *Any lender approved by the Sec-*
10 *retary of Agriculture to make guaranteed*
11 *loans for single family housing under the*
12 *Housing Act of 1949 (42 U.S.C.A. 1441 et*
13 *seq.).*

14 “(iv) *Any other lender that is super-*
15 *vised, approved, regulated, or insured by*
16 *any agency of the Federal Government.*

17 “(5) *TERMS.—The loan shall—*

18 “(A) *be made for a term not exceeding 30*
19 *years;*

20 “(B) *bear interest (exclusive of the guar-*
21 *antee fee under subsection (d) and service*
22 *charges, if any) at a rate agreed upon by the*
23 *borrower and the lender and determined by the*
24 *Secretary to be reasonable, but not to exceed the*
25 *rate generally charged in the area (as deter-*

1 *mined by the Secretary) for home mortgage loans*
 2 *not guaranteed or insured by any agency or in-*
 3 *strumentality of the Federal Government;*

4 “(C) *involve a principal obligation not*
 5 *exceeding—*

6 “(i) *97.75 percent of the appraised*
 7 *value of the property as of the date the loan*
 8 *is accepted for guarantee (or 98.75 percent*
 9 *if the value of the property is \$50,000 or*
 10 *less); or*

11 “(ii) *the amount approved by the Sec-*
 12 *retary under this section; and*

13 “(D) *involve a payment on account of the*
 14 *property—*

15 “(i) *in cash or its equivalent; or*

16 “(ii) *through the value of any improve-*
 17 *ments to the property made through the*
 18 *skilled or unskilled labor of the borrower, as*
 19 *the Secretary shall provide.*

20 “(d) *CERTIFICATE OF GUARANTEE.—*

21 “(1) *APPROVAL PROCESS.—*

22 “(A) *IN GENERAL.—Before the Secretary*
 23 *approves any loan for guarantee under this sec-*
 24 *tion, the lender shall submit the application for*
 25 *the loan to the Secretary for examination.*

1 “(B) *APPROVAL.*—If the Secretary approves
2 the application submitted under subparagraph
3 (A), the Secretary shall issue a certificate under
4 this subsection as evidence of the loan guarantee
5 approved.

6 “(2) *STANDARD FOR APPROVAL.*—The Secretary
7 may approve a loan for guarantee under this section
8 and issue a certificate under this subsection only if
9 the Secretary determines that there is a reasonable
10 prospect of repayment of the loan.

11 “(3) *EFFECT.*—

12 “(A) *IN GENERAL.*—A certificate of guar-
13 antee issued under this subsection by the Sec-
14 retary shall be conclusive evidence of the eligi-
15 bility of the loan for guarantee under this section
16 and the amount of that guarantee.

17 “(B) *EVIDENCE.*—The evidence referred to
18 in subparagraph (A) shall be incontestable in the
19 hands of the bearer.

20 “(C) *FULL FAITH AND CREDIT.*—The full
21 faith and credit of the United States is pledged
22 to the payment of all amounts agreed to be paid
23 by the Secretary as security for the obligations
24 made by the Secretary under this section.

1 “(4) *FRAUD AND MISREPRESENTATION.*—*This*
2 *subsection may not be construed—*

3 “(A) *to preclude the Secretary from estab-*
4 *lishing defenses against the original lender based*
5 *on fraud or material misrepresentation; or*

6 “(B) *to bar the Secretary from establishing*
7 *by regulations that are on the date of issuance*
8 *or disbursement, whichever is earlier, partial de-*
9 *fenses to the amount payable on the guarantee.*

10 “(e) *GUARANTEE FEE.*—

11 “(1) *IN GENERAL.*—*The Secretary shall fix and*
12 *collect a guarantee fee for the guarantee of a loan*
13 *under this section, which may not exceed the amount*
14 *equal to 1 percent of the principal obligation of the*
15 *loan.*

16 “(2) *PAYMENT.*—*The fee under this subsection*
17 *shall—*

18 “(A) *be paid by the lender at time of*
19 *issuance of the guarantee; and*

20 “(B) *be adequate, in the determination of*
21 *the Secretary, to cover expenses and probable*
22 *losses.*

23 “(3) *DEPOSIT.*—*The Secretary shall deposit any*
24 *fees collected under this subsection in the Native Ha-*

1 *waiian Housing Loan Guarantee Fund established*
 2 *under subsection (j).*

3 “(f) *LIABILITY UNDER GUARANTEE.—The liability*
 4 *under a guarantee provided under this section shall de-*
 5 *crease or increase on a pro rata basis according to any de-*
 6 *crease or increase in the amount of the unpaid obligation*
 7 *under the provisions of the loan agreement involved.*

8 “(g) *TRANSFER AND ASSUMPTION.—Notwithstanding*
 9 *any other provision of law, any loan guaranteed under this*
 10 *section, including the security given for the loan, may be*
 11 *sold or assigned by the lender to any financial institution*
 12 *subject to examination and supervision by an agency of the*
 13 *Federal Government or of any State or the District of Co-*
 14 *lumbia.*

15 “(h) *DISQUALIFICATION OF LENDERS AND CIVIL*
 16 *MONEY PENALTIES.—*

17 “(1) *IN GENERAL.—*

18 “(A) *GROUND FOR ACTION.—The Sec-*
 19 *retary may take action under subparagraph (B)*
 20 *if the Secretary determines that any lender or*
 21 *holder of a guarantee certificate under subsection*
 22 *(c)—*

23 “(i) *has failed—*

24 “(I) *to maintain adequate ac-*
 25 *counting records;*

1 “(II) to service adequately loans
2 guaranteed under this section; or

3 “(III) to exercise proper credit or
4 underwriting judgment; or

5 “(ii) has engaged in practices other-
6 wise detrimental to the interest of a bor-
7 rower or the United States.

8 “(B) ACTIONS.—Upon a determination by
9 the Secretary that a holder of a guarantee certifi-
10 cate under subsection (c) has failed to carry out
11 an activity described in subparagraph (A)(i) or
12 has engaged in practices described in subpara-
13 graph (A)(ii), the Secretary may—

14 “(i) refuse, either temporarily or per-
15 manently, to guarantee any further loans
16 made by such lender or holder;

17 “(ii) bar such lender or holder from ac-
18 quiring additional loans guaranteed under
19 this section; and

20 “(iii) require that such lender or holder
21 assume not less than 10 percent of any loss
22 on further loans made or held by the lender
23 or holder that are guaranteed under this
24 section.

1 “(2) *CIVIL MONEY PENALTIES FOR INTENTIONAL*
2 *VIOLATIONS.*—

3 “(A) *IN GENERAL.*—*The Secretary may im-*
4 *pose a civil monetary penalty on a lender or*
5 *holder of a guarantee certificate under subsection*
6 *(d) if the Secretary determines that the holder or*
7 *lender has intentionally failed—*

8 “(i) *to maintain adequate accounting*
9 *records;*

10 “(ii) *to adequately service loans guar-*
11 *anteed under this section; or*

12 “(iii) *to exercise proper credit or un-*
13 *derwriting judgment.*

14 “(B) *PENALTIES.*—*A civil monetary pen-*
15 *alty imposed under this paragraph shall be im-*
16 *posed in the manner and be in an amount pro-*
17 *vided under section 536 of the National Housing*
18 *Act (12 U.S.C.A. 1735f-1) with respect to mort-*
19 *gagees and lenders under that Act.*

20 “(3) *PAYMENT ON LOANS MADE IN GOOD*
21 *FAITH.*—*Notwithstanding paragraphs (1) and (2), if*
22 *a loan was made in good faith, the Secretary may not*
23 *refuse to pay a lender or holder of a valid guarantee*
24 *on that loan, without regard to whether the lender or*
25 *holder is barred under this subsection.*

1 “(i) *PAYMENT UNDER GUARANTEE.*—

2 “(1) *LENDER OPTIONS.*—

3 “(A) *IN GENERAL.*—

4 “(i) *NOTIFICATION.*—*If a borrower on*
5 *a loan guaranteed under this section de-*
6 *faults on the loan, the holder of the guar-*
7 *antee certificate shall provide written notice*
8 *of the default to the Secretary.*

9 “(ii) *PAYMENT.*—*Upon providing the*
10 *notice required under clause (i), the holder*
11 *of the guarantee certificate shall be entitled*
12 *to payment under the guarantee (subject to*
13 *the provisions of this section) and may pro-*
14 *ceed to obtain payment in one of the fol-*
15 *lowing manners:*

16 “(I) *FORECLOSURE.*—

17 “(aa) *IN GENERAL.*—*The*
18 *holder of the certificate may ini-*
19 *tiate foreclosure proceedings (after*
20 *providing written notice of that*
21 *action to the Secretary).*

22 “(bb) *PAYMENT.*—*Upon a*
23 *final order by the court author-*
24 *izing foreclosure and submission*
25 *to the Secretary of a claim for*

1 *payment under the guarantee, the*
2 *Secretary shall pay to the holder*
3 *of the certificate the pro rata por-*
4 *tion of the amount guaranteed (as*
5 *determined pursuant to subsection*
6 *(f)) plus reasonable fees and ex-*
7 *penditures as approved by the Sec-*
8 *retary.*

9 “(cc) *SUBROGATION.—The*
10 *rights of the Secretary shall be*
11 *subrogated to the rights of the*
12 *holder of the guarantee. The hold-*
13 *er shall assign the obligation and*
14 *security to the Secretary.*

15 “(II) *NO FORECLOSURE.—*

16 “(aa) *IN GENERAL.—Without*
17 *seeking foreclosure (or in any case*
18 *in which a foreclosure proceeding*
19 *initiated under clause (i) con-*
20 *tinues for a period in excess of 1*
21 *year), the holder of the guarantee*
22 *may submit to the Secretary a re-*
23 *quest to assign the obligation and*
24 *security interest to the Secretary*
25 *in return for payment of the*

1 *claim under the guarantee. The*
2 *Secretary may accept assignment*
3 *of the loan if the Secretary deter-*
4 *mines that the assignment is in*
5 *the best interest of the United*
6 *States.*

7 “(bb) *PAYMENT.*—*Upon as-*
8 *signment, the Secretary shall pay*
9 *to the holder of the guarantee the*
10 *pro rata portion of the amount*
11 *guaranteed (as determined under*
12 *subsection (f)).*

13 “(cc) *SUBROGATION.*—*The*
14 *rights of the Secretary shall be*
15 *subrogated to the rights of the*
16 *holder of the guarantee. The hold-*
17 *er shall assign the obligation and*
18 *security to the Secretary.*

19 “(B) *REQUIREMENTS.*—*Before any pay-*
20 *ment under a guarantee is made under subpara-*
21 *graph (A), the holder of the guarantee shall ex-*
22 *haust all reasonable possibilities of collection.*
23 *Upon payment, in whole or in part, to the hold-*
24 *er, the note or judgment evidencing the debt shall*
25 *be assigned to the United States and the holder*

1 *shall have no further claim against the borrower*
2 *or the United States. The Secretary shall then*
3 *take such action to collect as the Secretary deter-*
4 *mines to be appropriate.*

5 “(2) *LIMITATIONS ON LIQUIDATION.—*

6 “(A) *IN GENERAL.—If a borrower defaults*
7 *on a loan guaranteed under this section that in-*
8 *volves a security interest in restricted Hawaiian*
9 *Home Land property, the mortgagee or the Sec-*
10 *retary shall only pursue liquidation after offer-*
11 *ing to transfer the account to another eligible*
12 *Hawaiian family or the Department of Hawai-*
13 *ian Home Lands.*

14 “(B) *LIMITATION.—If, after action is taken*
15 *under subparagraph (A), the mortgagee or the*
16 *Secretary subsequently proceeds to liquidate the*
17 *account, the mortgagee or the Secretary shall not*
18 *sell, transfer, or otherwise dispose of or alienate*
19 *the property described in subparagraph (A) ex-*
20 *cept to another eligible Hawaiian family or to*
21 *the Department of Hawaiian Home Lands.*

22 “(j) *HAWAIIAN HOUSING LOAN GUARANTEE FUND.—*

23 “(1) *ESTABLISHMENT.—There is established in*
24 *the Treasury of the United States the Hawaiian*

1 *Housing Loan Guarantee Fund for the purpose of*
2 *providing loan guarantees under this section.*

3 “(2) *CREDITS.—The Guarantee Fund shall be*
4 *credited with—*

5 “(A) *any amount, claims, notes, mortgages,*
6 *contracts, and property acquired by the Sec-*
7 *retary under this section, and any collections*
8 *and proceeds therefrom;*

9 “(B) *any amounts appropriated pursuant*
10 *to paragraph (7);*

11 “(C) *any guarantee fees collected under sub-*
12 *section (d); and*

13 “(D) *any interest or earnings on amounts*
14 *invested under paragraph (4).*

15 “(3) *USE.—Amounts in the Guarantee Fund*
16 *shall be available, to the extent provided in appro-*
17 *priations Acts, for—*

18 “(A) *fulfilling any obligations of the Sec-*
19 *retary with respect to loans guaranteed under*
20 *this section, including the costs (as that term is*
21 *defined in section 502 of the Federal Credit Re-*
22 *form Act of 1990 (2 U.S.C. 661a)) of such loans;*

23 “(B) *paying taxes, insurance, prior liens,*
24 *expenses necessary to make fiscal adjustment in*
25 *connection with the application and transmittal*

1 *of collections, and other expenses and advances to*
2 *protect the Secretary for loans which are guaran-*
3 *teed under this section or held by the Secretary;*

4 “(C) *acquiring such security property at*
5 *foreclosure sales or otherwise;*

6 “(D) *paying administrative expenses in*
7 *connection with this section; and*

8 “(E) *reasonable and necessary costs of reha-*
9 *ilitation and repair to properties that the Sec-*
10 *retary holds or owns pursuant to this section.*

11 “(4) *INVESTMENT.—Any amounts in the Guar-*
12 *antee Fund determined by the Secretary to be in ex-*
13 *cess of amounts currently required at the time of the*
14 *determination to carry out this section may be in-*
15 *vested in obligations of the United States.*

16 “(5) *LIMITATION ON COMMITMENTS TO GUAR-*
17 *ANTEE LOANS AND MORTGAGES.—*

18 “(A) *REQUIREMENT OF APPROPRIATIONS.—*
19 *The authority of the Secretary to enter into com-*
20 *mitments to guarantee loans under this section*
21 *shall be effective for any fiscal year to the extent,*
22 *or in such amounts as are, or have been, pro-*
23 *vided in appropriations Acts, without regard to*
24 *the fiscal year for which such amounts were ap-*
25 *propriated.*

1 “(B) *LIMITATIONS ON COSTS OF GUARAN-*
2 *TEES.—The authority of the Secretary to enter*
3 *into commitments to guarantee loans under this*
4 *section shall be effective for any fiscal year only*
5 *to the extent that amounts in the Guarantee*
6 *Fund are or have been made available in appro-*
7 *priations Acts to cover the costs (as that term is*
8 *defined in section 502 of the Federal Credit Re-*
9 *form Act of 1990 (2 U.S.C. 661a)) of such loan*
10 *guarantees for such fiscal year. Any amounts ap-*
11 *propriated pursuant to this subparagraph shall*
12 *remain available until expended.*

13 “(C) *LIMITATION ON OUTSTANDING AGGRE-*
14 *GATE PRINCIPAL AMOUNT.—Subject to the limi-*
15 *tations in subparagraphs (A) and (B), the Sec-*
16 *retary may enter into commitments to guarantee*
17 *loans under this section for each of fiscal years*
18 *2001, 2002, 2003, 2004, and 2005 with an ag-*
19 *gregate outstanding principal amount not ex-*
20 *ceeding \$100,000,000 for each such fiscal year.*

21 “(6) *LIABILITIES.—All liabilities and obligations*
22 *of the assets credited to the Guarantee Fund under*
23 *paragraph (2)(A) shall be liabilities and obligations*
24 *of the Guarantee Fund.*

1 “(7) *AUTHORIZATION OF APPROPRIATIONS.*—

2 *There are authorized to be appropriated to the Guar-*
3 *antee Fund to carry out this section such sums as*
4 *may be necessary for each of fiscal years 2001, 2002,*
5 *2003, 2004, and 2005.*

6 “(k) *REQUIREMENTS FOR STANDARD HOUSING.*—

7 “(1) *IN GENERAL.*—*The Secretary shall, by regu-*
8 *lation, establish housing safety and quality standards*
9 *to be applied for use under this section.*

10 “(2) *STANDARDS.*—*The standards referred to in*
11 *paragraph (1) shall—*

12 “(A) *provide sufficient flexibility to permit*
13 *the use of various designs and materials in hous-*
14 *ing acquired with loans guaranteed under this*
15 *section; and*

16 “(B) *require each dwelling unit in any*
17 *housing acquired in the manner described in*
18 *subparagraph (A) to—*

19 “(i) *be decent, safe, sanitary, and mod-*
20 *est in size and design;*

21 “(ii) *conform with applicable general*
22 *construction standards for the region in*
23 *which the housing is located;*

24 “(iii) *contain a plumbing system*
25 *that—*

1 “(I) uses a properly installed sys-
2 tem of piping;

3 “(II) includes a kitchen sink and
4 a partitional bathroom with lavatory,
5 toilet, and bath or shower; and

6 “(III) uses water supply, plumb-
7 ing, and sewage disposal systems that
8 conform to any minimum standards
9 established by the applicable county or
10 State;

11 “(iv) contain an electrical system
12 using wiring and equipment properly in-
13 stalled to safely supply electrical energy for
14 adequate lighting and for operation of ap-
15 pliances that conforms to any appropriate
16 county, State, or national code;

17 “(v) be not less than the size provided
18 under the applicable locally adopted stand-
19 ards for size of dwelling units, except that
20 the Secretary, upon request of the Depart-
21 ment of Hawaiian Home Lands may waive
22 the size requirements under this paragraph;
23 and

24 “(vi) conform with the energy perform-
25 ance requirements for new construction es-

1 *tablished by the Secretary under section*
 2 *526(a) of the National Housing Act (12*
 3 *U.S.C.A. 1735f-4), unless the Secretary de-*
 4 *termines that the requirements are not ap-*
 5 *plicable.*

6 “(l) *APPLICABILITY OF CIVIL RIGHTS STATUTES.—To*
 7 *the extent that the requirements of title VI of the Civil*
 8 *Rights Act of 1964 (42 U.S.C. 2000d et seq.) or of the Fair*
 9 *Housing Act (42 U.S.C.A. 3601 et seq.) apply to a guar-*
 10 *antee provided under this subsection, nothing in the re-*
 11 *quirements concerning discrimination on the basis of race*
 12 *shall be construed to prevent the provision of the guarantee*
 13 *to an eligible entity on the basis that the entity serves Na-*
 14 *tive Hawaiian families or is a Native Hawaiian family.”.*

15 **TITLE VI—MANUFACTURED**
 16 **HOUSING IMPROVEMENT**

17 **SEC. 601. SHORT TITLE; REFERENCES.**

18 (a) *SHORT TITLE.—This title may be cited as the*
 19 *“Manufactured Housing Improvement Act of 2000”.*

20 (b) *REFERENCES.—Whenever in this title an amend-*
 21 *ment is expressed in terms of an amendment to, or repeal*
 22 *of, a section or other provision, the reference shall be consid-*
 23 *ered to be made to that section or other provision of the*
 24 *National Manufactured Housing Construction and Safety*
 25 *Standards Act of 1974 (42 U.S.C. 5401 et seq.).*

1 **SEC. 602. FINDINGS AND PURPOSES.**

2 *Section 602 (42 U.S.C. 5401) is amended to read as*
3 *follows:*

4 **“SEC. 602. FINDINGS AND PURPOSES.**

5 *“(a) FINDINGS.—Congress finds that—*

6 *“(1) manufactured housing plays a vital role in*
7 *meeting the housing needs of the Nation; and*

8 *“(2) manufactured homes provide a significant*
9 *resource for affordable homeownership and rental*
10 *housing accessible to all Americans.*

11 *“(b) PURPOSES.—The purposes of this title are—*

12 *“(1) to protect the quality, durability, safety,*
13 *and affordability of manufactured homes;*

14 *“(2) to facilitate the availability of affordable*
15 *manufactured homes and to increase homeownership*
16 *for all Americans;*

17 *“(3) to provide for the establishment of practical,*
18 *uniform, and, to the extent possible, performance-*
19 *based Federal construction standards for manufac-*
20 *tured homes;*

21 *“(4) to encourage innovative and cost-effective*
22 *construction techniques for manufactured homes;*

23 *“(5) to protect residents of manufactured homes*
24 *with respect to personal injuries and the amount of*
25 *insurance costs and property damages in manufac-*

1 *tured housing, consistent with the other purposes of*
2 *this section;*

3 *“(6) to establish a balanced consensus process for*
4 *the development, revision, and interpretation of Fed-*
5 *eral construction and safety standards for manufac-*
6 *tured homes and related regulations for the enforce-*
7 *ment of such standards;*

8 *“(7) to ensure uniform and effective enforcement*
9 *of Federal construction and safety standards for man-*
10 *ufactured homes; and*

11 *“(8) to ensure that the public interest in, and*
12 *need for, affordable manufactured housing is duly*
13 *considered in all determinations relating to the Fed-*
14 *eral standards and their enforcement.”.*

15 **SEC. 603. DEFINITIONS.**

16 *(a) IN GENERAL.—Section 603 (42 U.S.C. 5402) is*
17 *amended—*

18 *(1) in paragraph (2), by striking “dealer” and*
19 *inserting “retailer”;*

20 *(2) in paragraph (12), by striking “and” at the*
21 *end;*

22 *(3) in paragraph (13), by striking the period at*
23 *the end and inserting a semicolon; and*

24 *(4) by adding at the end the following:*

1 “(14) ‘administering organization’ means the
2 recognized, voluntary, private sector, consensus stand-
3 ards body with specific experience in developing
4 model residential building codes and standards in-
5 volving all disciplines regarding construction and
6 safety that administers the consensus standards
7 through a development process;

8 “(15) ‘consensus committee’ means the committee
9 established under section 604(a)(3);

10 “(16) ‘consensus standards development process’
11 means the process by which additions, revisions, and
12 interpretations to the Federal manufactured home
13 construction and safety standards and enforcement
14 regulations shall be developed and recommended to the
15 Secretary by the consensus committee;

16 “(17) ‘primary inspection agency’ means a State
17 agency or private organization that has been ap-
18 proved by the Secretary to act as a design approval
19 primary inspection agency or a production inspection
20 primary inspection agency, or both;

21 “(18) ‘design approval primary inspection agen-
22 cy’ means a State agency or private organization that
23 has been approved by the Secretary to evaluate and
24 either approve or disapprove manufactured home de-
25 signs and quality control procedures;

1 “(19) ‘installation standards’ means reasonable
2 specifications for the installation of a manufactured
3 home, at the place of occupancy, to ensure proper
4 siting, the joining of all sections of the home, and the
5 installation of stabilization, support, or anchoring
6 systems;

7 “(20) ‘monitoring’ means the process of periodic
8 review of the primary inspection agencies, by the Sec-
9 retary or by a State agency under an approved State
10 plan pursuant to section 623, in accordance with reg-
11 ulations promulgated under this title, giving due con-
12 sideration to the recommendations of the consensus
13 committee under section 604(b), which process shall be
14 for the purpose of ensuring that the primary inspec-
15 tion agencies are discharging their duties under this
16 title; and

17 “(21) ‘production inspection primary inspection
18 agency’ means a State agency or private organization
19 that has been approved by the Secretary to evaluate
20 the ability of manufactured home manufacturing
21 plants to comply with approved quality control proce-
22 dures and with the Federal manufactured home con-
23 struction and safety standards promulgated here-
24 under, including the inspection of homes in the
25 plant.”.

1 (b) *CONFORMING AMENDMENTS.*—*The National Manu-*
 2 *factured Housing Construction and Safety Standards Act*
 3 *of 1974 (42 U.S.C. 5401 et seq.) is amended—*

4 (1) *in section 613 (42 U.S.C. 5412), by striking*
 5 *“dealer” each place it appears and inserting “re-*
 6 *tailer”;*

7 (2) *in section 614(f) (42 U.S.C. 5413(f)), by*
 8 *striking “dealer” each place it appears and inserting*
 9 *“retailer”;*

10 (3) *in section 615 (42 U.S.C. 5414)—*

11 (A) *in subsection (b)(1), by striking “deal-*
 12 *er” and inserting “retailer”;*

13 (B) *in subsection (b)(3), by striking “dealer*
 14 *or dealers” and inserting “retailer or retailers”;*
 15 *and*

16 (C) *in subsections (d) and (f), by striking*
 17 *“dealers” each place it appears and inserting*
 18 *“retailers”;*

19 (4) *in section 616 (42 U.S.C. 5415), by striking*
 20 *“dealer” and inserting “retailer”; and*

21 (5) *in section 623(c)(9), by striking “dealers”*
 22 *and inserting “retailers”.*

23 **SEC. 604. FEDERAL MANUFACTURED HOME CONSTRUCTION**
 24 **AND SAFETY STANDARDS.**

25 *Section 604 (42 U.S.C. 5403) is amended—*

1 (1) *by striking subsections (a) and (b) and in-*
2 *serting the following:*

3 “(a) *ESTABLISHMENT.—*

4 “(1) *AUTHORITY.—The Secretary shall establish,*
5 *by order, appropriate Federal manufactured home*
6 *construction and safety standards, each of which—*

7 “(A) *shall—*

8 “(i) *be reasonable and practical;*

9 “(ii) *meet high standards of protection*
10 *consistent with the purposes of this title;*

11 *and*

12 “(iii) *be performance-based and objec-*
13 *tively stated, unless clearly inappropriate;*

14 *and*

15 “(B) *except as provided in subsection (b),*
16 *shall be established in accordance with the con-*
17 *sensus standards development process.*

18 “(2) *CONSENSUS STANDARDS AND REGULATORY*
19 *DEVELOPMENT PROCESS.—*

20 “(A) *INITIAL AGREEMENT.—Not later than*
21 *180 days after the date of enactment of the Man-*
22 *ufactured Housing Improvement Act of 2000, the*
23 *Secretary shall enter into a contract with an ad-*
24 *ministering organization. The contractual agree-*
25 *ment shall—*

1 “(i) terminate on the date on which a
2 contract is entered into under subparagraph
3 (B); and

4 “(ii) require the administering organi-
5 zation to—

6 “(I) recommend the initial mem-
7 bers of the consensus committee under
8 paragraph (3);

9 “(II) administer the consensus
10 standards development process until
11 the termination of that agreement; and

12 “(III) administer the consensus
13 development and interpretation process
14 for procedural and enforcement regula-
15 tions and regulations specifying the
16 permissible scope and conduct of moni-
17 toring until the termination of that
18 agreement.

19 “(B) COMPETITIVELY PROCURED CON-
20 TRACT.—Upon the expiration of the 4-year pe-
21 riod beginning on the date on which all members
22 of the consensus committee are appointed under
23 paragraph (3), the Secretary shall, using com-
24 petitive procedures (as such term is defined in
25 section 4 of the Office of Federal Procurement

1 *Policy Act), enter into a competitively awarded*
2 *contract with an administering organization.*
3 *The administering organization shall administer*
4 *the consensus process for the development and in-*
5 *terpretation of the Federal standards, the proce-*
6 *dural and enforcement regulations, and regula-*
7 *tions specifying the permissible scope and con-*
8 *duct of monitoring, in accordance with this title.*

9 “(C) *PERFORMANCE REVIEW.—The*
10 *Secretary—*

11 “(i) *shall periodically review the per-*
12 *formance of the administering organization;*
13 *and*

14 “(ii) *may replace the administering*
15 *organization with another qualified tech-*
16 *nical or building code organization, pursu-*
17 *ant to competitive procedures, if the Sec-*
18 *retary determines in writing that the ad-*
19 *ministering organization is not fulfilling*
20 *the terms of the agreement or contract to*
21 *which the administering organization is*
22 *subject or upon the expiration of the agree-*
23 *ment or contract.*

24 “(3) *CONSENSUS COMMITTEE.—*

1 “(A) *PURPOSE.*—*There is established a*
2 *committee to be known as the ‘consensus com-*
3 *mittee’, which shall, in accordance with this*
4 *title—*

5 “(i) *provide periodic recommendations*
6 *to the Secretary to adopt, revise, and inter-*
7 *pret the Federal manufactured housing con-*
8 *struction and safety standards in accord-*
9 *ance with this subsection;*

10 “(ii) *provide periodic recommendations*
11 *to the Secretary to adopt, revise, and inter-*
12 *pret the procedural and enforcement regula-*
13 *tions, including regulations specifying the*
14 *permissible scope and conduct of monitoring*
15 *in accordance with subsection (b);*

16 “(iii) *be organized and carry out its*
17 *business in a manner that guarantees a fair*
18 *opportunity for the expression and consider-*
19 *ation of various positions and for public*
20 *participation; and*

21 “(iv) *be deemed to be an advisory com-*
22 *mittee not composed of Federal employees.*

23 “(B) *MEMBERSHIP.*—*The consensus com-*
24 *mittee shall be composed of—*

1 “(i) 21 voting members appointed by
2 the Secretary, after consideration of the rec-
3 ommendations of the administering organi-
4 zation, from among individuals who are
5 qualified by background and experience to
6 participate in the work of the consensus
7 committee; and

8 “(ii) 1 nonvoting member appointed by
9 the Secretary to represent the Secretary on
10 the consensus committee.

11 “(C) *DISAPPROVAL.*—The Secretary shall
12 state, in writing, the reasons for failing to ap-
13 point any individual recommended under para-
14 graph (2)(A)(i)(I).

15 “(D) *SELECTION PROCEDURES AND RE-*
16 *QUIREMENTS.*—Each member of the consensus
17 committee shall be appointed in accordance with
18 selection procedures, which shall be based on the
19 procedures for consensus committees promulgated
20 by the American National Standards Institute
21 (or successor organization), except that the
22 American National Standards Institute interest
23 categories shall be modified for purposes of this
24 paragraph to ensure equal representation on the

1 *consensus committee of the following interest cat-*
2 *egories:*

3 “(i) *PRODUCERS.*—*Seven producers or*
4 *retailers of manufactured housing.*

5 “(ii) *USERS.*—*Seven persons rep-*
6 *resenting consumer interests, such as con-*
7 *sumer organizations, recognized consumer*
8 *leaders, and owners who are residents of*
9 *manufactured homes.*

10 “(iii) *GENERAL INTEREST AND PUBLIC*
11 *OFFICIALS.*—*Seven general interest and*
12 *public official members.*

13 “(E) *BALANCING OF INTERESTS.*—

14 “(i) *IN GENERAL.*—*In order to achieve*
15 *a proper balance of interests on the con-*
16 *sensus committee, the Secretary, in appoint-*
17 *ing the members of the consensus*
18 *committee—*

19 “(I) *shall ensure that all directly*
20 *and materially affected interests have*
21 *the opportunity for fair and equitable*
22 *participation without dominance by*
23 *any single interest; and*

24 “(II) *may reject the appointment*
25 *of any 1 or more individuals in order*

1 to ensure that there is not dominance
2 by any single interest.

3 “(ii) *DOMINANCE DEFINED.*—In this
4 subparagraph, the term ‘dominance’ means
5 a position or exercise of dominant author-
6 ity, leadership, or influence by reason of su-
7 perior leverage, strength, or representation.

8 “(F) *ADDITIONAL QUALIFICATIONS.*—

9 “(i) *FINANCIAL INDEPENDENCE.*—No
10 individual appointed under subparagraph
11 (D)(ii) shall have, and 3 of the individuals
12 appointed under subparagraph (D)(iii)
13 shall not have—

14 “(I) a significant financial inter-
15 est in any segment of the manufac-
16 tured housing industry; or

17 “(II) a significant relationship to
18 any person engaged in the manufac-
19 tured housing industry.

20 “(ii) *POST-EMPLOYMENT BAN.*—Each
21 individual described in clause (i) shall be
22 subject to a ban disallowing compensation
23 from the manufactured housing industry
24 during the period of, and during the 1-year

1 following, the membership of the individual
2 on the consensus committee.

3 “(G) MEETINGS.—

4 “(i) NOTICE; OPEN TO PUBLIC.—The
5 consensus committee shall provide advance
6 notice of each meeting of the consensus com-
7 mittee to the Secretary and cause to be pub-
8 lished in the Federal Register advance no-
9 tice of each such meeting. All meetings of
10 the consensus committee shall be open to the
11 public.

12 “(ii) REIMBURSEMENT.—Members of
13 the consensus committee in attendance at
14 meetings of the consensus committee shall be
15 reimbursed for their actual expenses as au-
16 thorized by section 5703 of title 5, United
17 States Code, for persons employed intermit-
18 tently in Government service.

19 “(H) ADMINISTRATION.—The consensus
20 committee and the administering organization
21 shall—

22 “(i) operate in conformance with the
23 procedures established by the American Na-
24 tional Standards Institute for the develop-

1 *ment and coordination of American Na-*
2 *tional Standards; and*

3 “(ii) *apply to the American National*
4 *Standards Institute and take such other ac-*
5 *tions as may be necessary to obtain accredi-*
6 *tation from the American National Stand-*
7 *ards Institute.*

8 “(I) *STAFF AND TECHNICAL SUPPORT.—The*
9 *administering organization shall, upon the re-*
10 *quest of the consensus committee—*

11 “(i) *provide reasonable staff resources*
12 *to the consensus committee; and*

13 “(ii) *furnish technical support in a*
14 *timely manner to any of the interest cat-*
15 *egories described in subparagraph (D) rep-*
16 *resented on the consensus committee, if—*

17 “(I) *the support is necessary to*
18 *ensure the informed participation of*
19 *the consensus committee members; and*

20 “(II) *the costs of providing the*
21 *support are reasonable.*

22 “(J) *DATE OF INITIAL APPOINTMENTS.—*
23 *The initial appointments of all of the members*
24 *of the consensus committee shall be completed not*
25 *later than 90 days after the date on which a con-*

1 *tractual agreement under paragraph (2)(A) is*
2 *entered into with the administering organiza-*
3 *tion.*

4 “(4) *REVISIONS OF STANDARDS.—*

5 “(A) *IN GENERAL.—Beginning on the date*
6 *on which all members of the consensus committee*
7 *are appointed under paragraph (3), the con-*
8 *sensus committee shall, not less than once during*
9 *each 2-year period—*

10 “(i) *consider revisions to the Federal*
11 *manufactured home construction and safety*
12 *standards; and*

13 “(ii) *submit proposed revised stand-*
14 *ards, if approved in a vote of the consensus*
15 *committee by $\frac{2}{3}$ of the members, to the Sec-*
16 *retary in the form of a proposed rule, in-*
17 *cluding an economic analysis.*

18 “(B) *PUBLICATION OF PROPOSED REVISED*
19 *STANDARDS.—*

20 “(i) *PUBLICATION BY SECRETARY.—*
21 *The consensus committee shall provide a*
22 *proposed revised standard under subpara-*
23 *graph (A)(ii) to the Secretary who shall, not*
24 *later than 30 days after receipt, cause such*
25 *proposed revised standard to be published*

1 *in the Federal Register for notice and com-*
2 *ment in accordance with section 553 of title*
3 *5, United States Code. Unless clause (ii)*
4 *applies, the Secretary shall provide an op-*
5 *portunity for public comment on such pro-*
6 *posed revised standard in accordance with*
7 *such section 553 and any such comments*
8 *shall be submitted directly to the consensus*
9 *committee, without delay.*

10 “(i) *PUBLICATION OF REJECTED PRO-*
11 *POSED REVISED STANDARDS.—If the Sec-*
12 *retary rejects the proposed revised standard,*
13 *the Secretary shall cause to be published in*
14 *the Federal Register the rejected proposed*
15 *revised standard, the reasons for rejection,*
16 *and any recommended modifications set*
17 *forth.*

18 “(C) *PRESENTATION OF PUBLIC COMMENTS;*
19 *PUBLICATION OF RECOMMENDED REVISIONS.—*

20 “(i) *PRESENTATION.—Any public com-*
21 *ments, views, and objections to a proposed*
22 *revised standard published under subpara-*
23 *graph (B) shall be presented by the Sec-*
24 *retary to the consensus committee upon*
25 *their receipt and in the manner received, in*

1 *accordance with procedures established by*
2 *the American National Standards Institute.*

3 “(ii) *PUBLICATION BY THE SEC-*
4 *RETARY.—The consensus committee shall*
5 *provide to the Secretary any revision pro-*
6 *posed by the consensus committee, which the*
7 *Secretary shall, not later than 30 calendar*
8 *days after receipt, cause to be published in*
9 *the Federal Register a notice of the rec-*
10 *ommended revisions of the consensus com-*
11 *mittee to the standards, a notice of the sub-*
12 *mission of the recommended revisions to the*
13 *Secretary, and a description of the cir-*
14 *cumstances under which the proposed re-*
15 *vised standards could become effective.*

16 “(iii) *PUBLICATION OF REJECTED PRO-*
17 *POSED REVISED STANDARDS.—If the Sec-*
18 *retary rejects the proposed revised standard,*
19 *the Secretary shall cause to be published in*
20 *the Federal Register the rejected proposed*
21 *revised standard, the reasons for rejection,*
22 *and any recommended modifications set*
23 *forth.*

24 “(5) *REVIEW BY THE SECRETARY.—*

1 “(A) *IN GENERAL.*—*The Secretary shall ei-*
2 *ther adopt, modify, or reject a standard, as sub-*
3 *mitted by the consensus committee under para-*
4 *graph (4)(A).*

5 “(B) *TIMING.*—*Not later than 12 months*
6 *after the date on which a standard is submitted*
7 *to the Secretary by the consensus committee, the*
8 *Secretary shall take action regarding such stand-*
9 *ard under subparagraph (C).*

10 “(C) *PROCEDURES.*—*If the Secretary—*

11 “(i) *adopts a standard recommended*
12 *by the consensus committee, the Secretary*
13 *shall—*

14 “(I) *issue a final order without*
15 *further rulemaking; and*

16 “(II) *cause the final order to be*
17 *published in the Federal Register;*

18 “(ii) *determines that any standard*
19 *should be rejected, the Secretary shall—*

20 “(I) *reject the standard; and*

21 “(II) *cause to be published in the*
22 *Federal Register a notice to that effect,*
23 *together with the reason or reasons for*
24 *rejecting the proposed standard; or*

1 “(iii) determines that a standard rec-
2 ommended by the consensus committee
3 should be modified, the Secretary shall—

4 “(I) cause to be published in the
5 *Federal Register* the proposed modified
6 standard, together with an explanation
7 of the reason or reasons for the deter-
8 mination of the Secretary; and

9 “(II) provide an opportunity for
10 public comment in accordance with
11 section 553 of title 5, United States
12 Code.

13 “(D) *FINAL ORDER*.—Any final standard
14 under this paragraph shall become effective pur-
15 suant to subsection (c).

16 “(6) *FAILURE TO ACT*.—If the Secretary fails to
17 take final action under paragraph (5) and to cause
18 notice of the action to be published in the *Federal*
19 *Register* before the expiration of the 12-month period
20 beginning on the date on which the proposed revised
21 standard is submitted to the Secretary under para-
22 graph (4)(A)—

23 “(A) the Secretary shall appear in person
24 before the appropriate housing and appropri-
25 ations subcommittees and committees of the House

1 *of Representatives and the Senate (referred to in*
2 *this paragraph as the ‘committees’) on a date or*
3 *dates to be specified by the committees, but in no*
4 *event later than 30 days after the expiration of*
5 *that 12-month period, and shall state before the*
6 *committees the reasons for failing to take final*
7 *action as required under paragraph (5); and*

8 *“(B) if the Secretary does not appear in*
9 *person as required under subparagraph (A), the*
10 *Secretary shall thereafter, and until such time as*
11 *the Secretary does appear as required under sub-*
12 *paragraph (A), be prohibited from expending*
13 *any funds collected under authority of this title*
14 *in an amount greater than that collected and ex-*
15 *pended in the fiscal year immediately preceding*
16 *the date of enactment of the Manufactured Hous-*
17 *ing Improvement Act of 2000, indexed for infla-*
18 *tion as determined by the Congressional Budget*
19 *Office.*

20 “(b) *OTHER ORDERS.—*

21 “(1) *REGULATIONS.—The Secretary may issue*
22 *procedural and enforcement regulations and revisions*
23 *to existing regulations as necessary to implement the*
24 *provisions of this title. The consensus committee may*
25 *submit to the Secretary proposed procedural and en-*

1 *forcement regulations and recommendations for the*
2 *revision of such regulations.*

3 “(2) *INTERPRETATIVE BULLETINS.*—*The Sec-*
4 *retary may issue interpretative bulletins to clarify the*
5 *meaning of any Federal manufactured home construc-*
6 *tion and safety standard or procedural and enforce-*
7 *ment regulation. The consensus committee may sub-*
8 *mit to the Secretary proposed interpretative bulletins*
9 *to clarify the meaning of any Federal manufactured*
10 *home construction and safety standard or procedural*
11 *and enforcement regulation.*

12 “(3) *REVIEW BY CONSENSUS COMMITTEE.*—*Be-*
13 *fore issuing a procedural or enforcement regulation or*
14 *an interpretative bulletin—*

15 “(A) *the Secretary shall—*

16 “(i) *submit the proposed procedural or*
17 *enforcement regulation or interpretative*
18 *bulletin to the consensus committee; and*

19 “(ii) *provide the consensus committee*
20 *with a period of 120 days to submit written*
21 *comments to the Secretary on the proposed*
22 *procedural or enforcement regulation or the*
23 *interpretative bulletin; and*

24 “(B) *if the Secretary rejects any significant*
25 *comment provided by the consensus committee*

1 under subparagraph (A), the Secretary shall pro-
2 vide a written explanation of the reasons for the
3 rejection to the consensus committee; and

4 “(C) following compliance with subpara-
5 graphs (A) and (B), the Secretary shall—

6 “(i) cause the proposed regulation or
7 interpretative bulletin and the consensus
8 committee’s written comments, along with
9 the Secretary’s response thereto, to be pub-
10 lished in the Federal Register; and

11 “(ii) provide an opportunity for public
12 comment in accordance with section 553 of
13 title 5, United States Code.

14 “(4) *REQUIRED ACTION.*—Not later than 120
15 days after the date on which the Secretary receives a
16 proposed regulation or interpretative bulletin sub-
17 mitted by the consensus committee, the Secretary
18 shall—

19 “(A) approve the proposal and cause the
20 proposed regulation or interpretative bulletin to
21 be published for public comment in accordance
22 with section 553 of title 5, United States Code;
23 or

24 “(B) reject the proposed regulation or inter-
25 pretative bulletin and—

1 “(i) provide to the consensus committee
2 a written explanation of the reasons for re-
3 jection; and

4 “(ii) cause to be published in the Fed-
5 eral Register the rejected proposed regula-
6 tion or interpretive bulletin, the reasons for
7 rejection, and any recommended modifica-
8 tions set forth.

9 “(5) *AUTHORITY TO ACT AND EMERGENCY.*—If
10 the Secretary determines, in writing, that such action
11 is necessary to address an issue on which the Sec-
12 retary determines that the consensus committee has
13 not made a timely recommendation following a re-
14 quest by the Secretary, or in order to respond to an
15 emergency that jeopardizes the public health or safety,
16 the Secretary may issue an order that is not devel-
17 oped under the procedures set forth in subsection (a)
18 or in this subsection, if the Secretary—

19 “(A) provides to the consensus committee a
20 written description and sets forth the reasons
21 why action is necessary and all supporting docu-
22 mentation; and

23 “(B) issues the order after notice and an
24 opportunity for public comment in accordance
25 with section 553 of title 5, United States Code,

1 *and causes the order to be published in the Fed-*
2 *eral Register.*

3 “(6) *CHANGES.*—*Any statement of policies, prac-*
4 *tices, or procedures relating to construction and safety*
5 *standards, regulations, inspections, monitoring, or*
6 *other enforcement activities that constitutes a state-*
7 *ment of general or particular applicability to imple-*
8 *ment, interpret, or prescribe law or policy by the Sec-*
9 *retary is subject to subsection (a) or this subsection.*
10 *Any change adopted in violation of subsection (a) or*
11 *this subsection is void.*

12 “(7) *TRANSITION.*—*Until the date on which the*
13 *consensus committee is appointed pursuant to section*
14 *604(a)(3), the Secretary may issue proposed orders,*
15 *pursuant to notice and comment in accordance with*
16 *section 553 of title 5, United States Code, that are not*
17 *developed under the procedures set forth in this sec-*
18 *tion for new and revised standards.”;*

19 (2) *in subsection (d), by adding at the end the*
20 *following: “Federal preemption under this subsection*
21 *shall be broadly and liberally construed to ensure that*
22 *disparate State or local requirements or standards do*
23 *not affect the uniformity and comprehensiveness of the*
24 *standards promulgated under this section nor the*
25 *Federal superintendence of the manufactured housing*

1 *industry as established by this title. Subject to section*
2 *605, there is reserved to each State the right to estab-*
3 *lish standards for the stabilizing and support systems*
4 *of manufactured homes sited within that State, and*
5 *for the foundations on which manufactured homes*
6 *sited within that State are installed, and the right to*
7 *enforce compliance with such standards, except that*
8 *such standards shall be consistent with the purposes*
9 *of this title and shall be consistent with the design of*
10 *the manufacturer.”;*

11 *(3) by striking subsection (e);*

12 *(4) in subsection (f), by striking the subsection*
13 *designation and all of the matter that precedes para-*
14 *graph (1) and inserting the following:*

15 *“(e) CONSIDERATIONS IN ESTABLISHING AND INTER-*
16 *PRETING STANDARDS AND REGULATIONS.—The consensus*
17 *committee, in recommending standards, regulations, and*
18 *interpretations, and the Secretary, in establishing stand-*
19 *ards or regulations or issuing interpretations under this*
20 *section, shall—”;*

21 *(5) by striking subsection (g);*

22 *(6) in the first sentence of subsection (j), by*
23 *striking “subsection (f)” and inserting “subsection*
24 *(e)”;* and

1 (7) by redesignating subsections (h), (i), and (j),
2 as subsections (f), (g), and (h), respectively.

3 **SEC. 605. ABOLISHMENT OF NATIONAL MANUFACTURED**
4 **HOME ADVISORY COUNCIL; MANUFACTURED**
5 **HOME INSTALLATION.**

6 (a) *IN GENERAL.*—Section 605 (42 U.S.C. 5404) is
7 amended to read as follows:

8 **“SEC. 605. MANUFACTURED HOME INSTALLATION.**

9 “(a) *PROVISION OF INSTALLATION DESIGN AND IN-*
10 *STRUCTIONS.*—A manufacturer shall provide with each
11 *manufactured home, design and instructions for the instal-*
12 *lation of the manufactured home that have been approved*
13 *by a design approval primary inspection agency. After es-*
14 *tablishment of model standards under subsection (b)(2), a*
15 *design approval primary inspection agency may not give*
16 *such approval unless a design and instruction provides*
17 *equal or greater protection than the protection provided*
18 *under such model standards.*

19 “(b) *MODEL MANUFACTURED HOME INSTALLATION*
20 *STANDARDS.*—

21 “(1) *PROPOSED MODEL STANDARDS.*—Not later
22 than 18 months after the date on which the initial
23 appointments of all of the members of the consensus
24 committee are completed, the consensus committee
25 shall develop and submit to the Secretary proposed

1 *model manufactured home installation standards,*
2 *which shall, to the maximum extent practicable, tak-*
3 *ing into account the factors described in section*
4 *604(e), be consistent with—*

5 *“(A) the manufactured home designs that*
6 *have been approved by a design approval pri-*
7 *mary inspection agency; and*

8 *“(B) the designs and instructions for the in-*
9 *stallation of manufactured homes provided by*
10 *manufacturers under subsection (a).*

11 *“(2) ESTABLISHMENT OF MODEL STANDARDS.—*

12 *Not later than 12 months after receiving the proposed*
13 *model standards submitted under paragraph (1), the*
14 *Secretary shall develop and establish model manufac-*
15 *tured home installation standards, which shall, to the*
16 *maximum extent practicable, taking into account the*
17 *factors described in section 604(e), be consistent*
18 *with—*

19 *“(A) the manufactured home designs that*
20 *have been approved by a design approval pri-*
21 *mary inspection agency; and*

22 *“(B) the designs and instructions for the in-*
23 *stallation of manufactured homes provided by*
24 *manufacturers under subsection (a).*

25 *“(3) FACTORS FOR CONSIDERATION.—*

1 “(A) *CONSENSUS COMMITTEE.*—*In devel-*
2 *oping the proposed model standards under para-*
3 *graph (1), the consensus committee shall consider*
4 *the factors described in section 604(e).*

5 “(B) *SECRETARY.*—*In developing and es-*
6 *tablishing the model standards under paragraph*
7 *(2), the Secretary shall consider the factors de-*
8 *scribed in section 604(e).*

9 “(4) *ISSUANCE.*—*The model manufactured home*
10 *installation standards shall be issued after notice and*
11 *an opportunity for public comment in accordance*
12 *with section 553 of title 5, United States Code.*

13 “(c) *MANUFACTURED HOME INSTALLATION PRO-*
14 *GRAMS.*—

15 “(1) *PROTECTION OF MANUFACTURED HOUSING*
16 *RESIDENTS DURING INITIAL PERIOD.*—*During the 5-*
17 *year period beginning on the date of enactment of the*
18 *Manufactured Housing Improvement Act of 2000, no*
19 *State or manufacturer may establish or implement*
20 *any installation standards that, in the determination*
21 *of the Secretary, provide less protection to the resi-*
22 *dents of manufactured homes than the protection pro-*
23 *vided by the installation standards in effect with re-*
24 *spect to the State or manufacturer, as applicable, on*

1 *the date of enactment of the Manufactured Housing*
2 *Improvement Act of 2000.*

3 “(2) *INSTALLATION STANDARDS.*—

4 “(A) *ESTABLISHMENT OF INSTALLATION*
5 *PROGRAM.*—*Not later than the expiration of the*
6 *5-year period described in paragraph (1), the*
7 *Secretary shall establish an installation program*
8 *that meets the requirements of paragraph (3) for*
9 *the enforcement of installation standards in each*
10 *State described in subparagraph (B) of this*
11 *paragraph.*

12 “(B) *IMPLEMENTATION OF INSTALLATION*
13 *PROGRAM.*—*Beginning on the expiration of the*
14 *5-year period described in paragraph (1), the*
15 *Secretary shall implement the installation pro-*
16 *gram established under subparagraph (A) in*
17 *each State that does not have an installation*
18 *program established by State law that meets the*
19 *requirements of paragraph (3).*

20 “(C) *CONTRACTING OUT OF IMPLEMENTA-*
21 *TION.*—*In carrying out subparagraph (B), the*
22 *Secretary may contract with an appropriate*
23 *agent to implement the installation program es-*
24 *tablished under that subparagraph, except that*
25 *such agent shall not be a person or entity other*

1 *than a government, nor an affiliate or sub-*
2 *subsidiary of such a person or entity, that has en-*
3 *tered into a contract with the Secretary to im-*
4 *plement any other regulatory program under*
5 *this title.*

6 “(3) *REQUIREMENTS.*—*An installation program*
7 *meets the requirements of this paragraph if it is a*
8 *program regulating the installation of manufactured*
9 *homes that includes—*

10 “(A) *installation standards that, in the de-*
11 *termination of the Secretary, provide protection*
12 *to the residents of manufactured homes that*
13 *equals or exceeds the protection provided to those*
14 *residents by—*

15 “(i) *the model manufactured home in-*
16 *stallation standards established by the Sec-*
17 *retary under subsection (b)(2); or*

18 “(ii) *the designs and instructions pro-*
19 *vided by manufacturers under subsection*
20 *(a), if the Secretary determines that such*
21 *designs and instructions provide protection*
22 *to the residents of manufactured homes that*
23 *equals or exceeds the protection provided by*
24 *the model manufactured home installation*

1 standards established by the Secretary
2 under subsection (b)(2);

3 “(B) the training and licensing of manufac-
4 tured home installers; and

5 “(C) inspection of the installation of manu-
6 factured homes.”.

7 (b) *CONFORMING AMENDMENTS.*—Section 623(c) (42
8 *U.S.C. 5422(c)*) is amended—

9 (1) in paragraph (10), by striking “and” at the
10 end;

11 (2) by redesignating paragraph (11) as para-
12 graph (13); and

13 (3) by inserting after paragraph (10) the fol-
14 lowing:

15 “(11) with respect to any State plan submitted
16 on or after the expiration of the 5-year period begin-
17 ning on the date of enactment of the *Manufactured*
18 *Housing Improvement Act of 2000*, provides for an
19 installation program established by State law that
20 meets the requirements of section 605(c)(3);”.

21 **SEC. 606. PUBLIC INFORMATION.**

22 Section 607 (42 *U.S.C. 5406*) is amended—

23 (1) in subsection (a)—

24 (A) by inserting “to the Secretary” after
25 “submit”; and

1 *homeownership for all people in the United States;*
2 *and*

3 “(5) *reviewing the programs for FHA manufac-*
4 *tured home loans and developing any changes to such*
5 *programs to promote the affordability of manufac-*
6 *tured homes, including changes in loan terms, amor-*
7 *tization periods, regulations, and procedures.”.*

8 (b) *DEFINITIONS.—Section 608 (42 U.S.C. 5407) is*
9 *amended by adding at the end the following:*

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

12 “(1) *GOVERNMENT-SPONSORED HOUSING ENTI-*
13 *TIES.—The term ‘government-sponsored housing enti-*
14 *ties’ means the Government National Mortgage Asso-*
15 *ciation of the Department of Housing and Urban De-*
16 *velopment, the Federal National Mortgage Associa-*
17 *tion, and the Federal Home Loan Mortgage Corpora-*
18 *tion.*

19 “(2) *FHA MANUFACTURED HOME LOAN.—The*
20 *term ‘FHA manufactured home loan’ means a loan*
21 *that—*

22 “(A) *is insured under title I of the National*
23 *Housing Act and is made for the purpose of fi-*
24 *nancing alterations, repairs, or improvements on*
25 *or in connection with an existing manufactured*

1 *home, the purchase of a manufactured home, the*
 2 *purchase of a manufactured home and a lot on*
 3 *which to place the home, or the purchase only of*
 4 *a lot on which to place a manufactured home; or*
 5 *“(B) is otherwise insured under the Na-*
 6 *tional Housing Act and made for or in connec-*
 7 *tion with a manufactured home.”.*

8 **SEC. 608. PROHIBITED ACTS.**

9 *Section 610(a) (42 U.S.C. 5409(a)) is amended—*

10 *(1) in paragraph (5), by striking “or” at the*
 11 *end;*

12 *(2) in paragraph (6), by striking the period at*
 13 *the end and inserting “; or”; and*

14 *(3) by adding at the end the following new para-*
 15 *graph:*

16 *“(7) after the expiration of the period specified*
 17 *in section 605(c)(2)(B), fail to comply with the re-*
 18 *quirements for the installation program required by*
 19 *section 605 in any State that has not adopted and*
 20 *implemented a State installation program.”.*

21 **SEC. 609. FEES.**

22 *Section 620 (42 U.S.C. 5419) is amended to read as*
 23 *follows:*

1 **“SEC. 620. AUTHORITY TO COLLECT FEE.**

2 “(a) *IN GENERAL.*—*In carrying out inspections under*
3 *this title, in developing standards and regulations pursuant*
4 *to section 604, and in facilitating the acceptance of the af-*
5 *fordability and availability of manufactured housing with-*
6 *in the Department, the Secretary may—*

7 “(1) *establish and collect from manufactured*
8 *home manufacturers a reasonable fee, as may be nec-*
9 *essary to offset the expenses incurred by the Secretary*
10 *in connection with carrying out the responsibilities of*
11 *the Secretary under this title, including—*

12 “(A) *conducting inspections and moni-*
13 *toring;*

14 “(B) *providing funding to States for the ad-*
15 *ministration and implementation of approved*
16 *State plans under section 623, including reason-*
17 *able funding for cooperative educational and*
18 *training programs designed to facilitate uniform*
19 *enforcement under this title, which funds may be*
20 *paid directly to the States or may be paid or*
21 *provided to any person or entity designated to*
22 *receive and disburse such funds by cooperative*
23 *agreements among participating States, provided*
24 *that such person or entity is not otherwise an*
25 *agent of the Secretary under this title;*

1 “(C) providing the funding for a noncareer
2 administrator within the Department to admin-
3 ister the manufactured housing program;

4 “(D) providing the funding for salaries and
5 expenses of employees of the Department to carry
6 out the manufactured housing program;

7 “(E) administering the consensus committee
8 as set forth in section 604;

9 “(F) facilitating the acceptance of the qual-
10 ity, durability, safety, and affordability of man-
11 ufactured housing within the Department; and

12 “(G) the administration and enforcement of
13 the installation standards authorized by section
14 605 in States in which the Secretary is required
15 to implement an installation program after the
16 expiration of the 5-year period set forth in sec-
17 tion 605(c)(2)(B), and the administration and
18 enforcement of a dispute resolution program de-
19 scribed in section 623(c)(12) in States in which
20 the Secretary is required to implement such a
21 program after the expiration of the 5-year period
22 set forth in section 623(g)(2); and

23 “(2) subject to subsection (e), use amounts from
24 any fee collected under paragraph (1) of this sub-
25 section to pay expenses referred to in that paragraph,

1 *which shall be exempt and separate from any limita-*
2 *tions on the Department regarding full-time equiva-*
3 *lent positions and travel.*

4 “(b) *CONTRACTORS.*—*In using amounts from any fee*
5 *collected under this section, the Secretary shall ensure that*
6 *separate and independent contractors are retained to carry*
7 *out monitoring and inspection work and any other work*
8 *that may be delegated to a contractor under this title.*

9 “(c) *PROHIBITED USE.*—*No amount from any fee col-*
10 *lected under this section may be used for any purpose or*
11 *activity not specifically authorized by this title, unless such*
12 *activity was already engaged in by the Secretary prior to*
13 *the date of enactment of the Manufactured Housing Im-*
14 *provement Act of 2000.*

15 “(d) *MODIFICATION.*—*Beginning on the date of enact-*
16 *ment of the Manufactured Housing Improvement Act of*
17 *2000, the amount of any fee collected under this section may*
18 *only be modified—*

19 “(1) *as specifically authorized in advance in an*
20 *annual appropriations Act; and*

21 “(2) *pursuant to rulemaking in accordance with*
22 *section 553 of title 5, United States Code.*

23 “(e) *APPROPRIATION AND DEPOSIT OF FEES.*—

24 “(1) *IN GENERAL.*—*There is established in the*
25 *Treasury of the United States a fund to be known as*

1 *the ‘Manufactured Housing Fees Trust Fund’ for de-*
 2 *posit of amounts from any fee collected under this sec-*
 3 *tion. Such amounts shall be held in trust for use only*
 4 *as provided in this title.*

5 “(2) *APPROPRIATION.*—*Amounts from any fee*
 6 *collected under this section shall be available for ex-*
 7 *penditure only to the extent approved in advance in*
 8 *an annual appropriations Act. Any change in the ex-*
 9 *penditure of such amounts shall be specifically au-*
 10 *thorized in advance in an annual appropriations Act.*

11 “(3) *PAYMENTS TO STATES.*—*On and after the*
 12 *effective date of the Manufactured Housing Improve-*
 13 *ment Act of 2000, the Secretary shall continue to fund*
 14 *the States having approved State plans in the*
 15 *amounts which are not less than the allocated*
 16 *amounts, based on the fee distribution system in effect*
 17 *on the day before such effective date.”.*

18 **SEC. 610. DISPUTE RESOLUTION.**

19 *Section 623(c) (42 U.S.C. 5422(c)) is amended—*

20 *(1) by inserting after paragraph (11) (as added*
 21 *by the preceding provisions of this title) the following:*

22 “(12) *with respect to any State plan submitted*
 23 *on or after the expiration of the 5-year period begin-*
 24 *ning on the date of enactment of the Manufactured*
 25 *Housing Improvement Act of 2000, provides for a dis-*

1 *pute resolution program for the timely resolution of*
 2 *disputes between manufacturers, retailers, and install-*
 3 *ers of manufactured homes regarding responsibility,*
 4 *and for the issuance of appropriate orders, for the*
 5 *correction or repair of defects in manufactured homes*
 6 *that are reported during the 1-year period beginning*
 7 *on the date of installation; and”;* and

8 (2) *by adding at the end the following:*

9 “(g) *ENFORCEMENT OF DISPUTE RESOLUTION STAND-*
 10 *ARDS.—*

11 “(1) *ESTABLISHMENT OF DISPUTE RESOLUTION*
 12 *PROGRAM.—Not later than the expiration of the 5-*
 13 *year period beginning on the date of enactment of the*
 14 *Manufactured Housing Improvement Act of 2000, the*
 15 *Secretary shall establish a dispute resolution program*
 16 *that meets the requirements of subsection (c)(12) for*
 17 *dispute resolution in each State described in para-*
 18 *graph (2) of this subsection. The order establishing the*
 19 *dispute resolution program shall be issued after notice*
 20 *and opportunity for public comment in accordance*
 21 *with section 553 of title 5, United States Code.*

22 “(2) *IMPLEMENTATION OF DISPUTE RESOLUTION*
 23 *PROGRAM.—Beginning on the expiration of the 5-year*
 24 *period described in paragraph (1), the Secretary shall*
 25 *implement the dispute resolution program established*

1 *ments shall have no effect on any order or interpretative*
2 *bulletin that is issued under the National Manufactured*
3 *Housing Construction and Safety Standards Act of 1974*
4 *(42 U.S.C. 5401 et seq.) and published as a proposed rule*
5 *pursuant to section 553 of title 5, United States Code, on*
6 *or before that date of enactment.*

7 **SEC. 613. SAVINGS PROVISIONS.**

8 (a) *STANDARDS AND REGULATIONS.*—*The Federal*
9 *manufactured home construction and safety standards (as*
10 *such term is defined in section 603 of the National Manu-*
11 *factured Housing Construction and Safety Standards Act*
12 *of 1974) and all regulations pertaining thereto in effect on*
13 *the day before the date of enactment of this Act shall apply*
14 *until the effective date of a standard or regulation modi-*
15 *fying or superseding the existing standard or regulation*
16 *that is promulgated under subsection (a) or (b) of section*
17 *604 of the National Manufactured Housing Construction*
18 *and Safety Standards Act of 1974, as amended by this title.*

19 (b) *CONTRACTS.*—*Any contract awarded pursuant to*
20 *a Request for Proposal issued before the date of enactment*
21 *of this Act shall remain in effect until the earlier of—*

22 (1) *the expiration of the 2-year period beginning*
23 *on the date of enactment of this Act; or*

24 (2) *the expiration of the contract term.*

1 **TITLE VII—RURAL HOUSING**
 2 **HOMEOWNERSHIP.**

3 **SEC. 701. GUARANTEES FOR REFINANCING OF RURAL**
 4 **HOUSING LOANS.**

5 *Section 502(h) of the Housing Act of 1949 (42 U.S.C.*
 6 *1472(h)) is amended by adding at the end the following new*
 7 *paragraph:*

8 “(13) *GUARANTEES FOR REFINANCING LOANS.—*

9 “(A) *IN GENERAL.—Upon the request of the*
 10 *borrower, the Secretary shall, to the extent pro-*
 11 *vided in appropriation Acts and subject to sub-*
 12 *paragraph (F), guarantee a loan that is made to*
 13 *refinance an existing loan that is made under*
 14 *this section or guaranteed under this subsection,*
 15 *and that the Secretary determines complies with*
 16 *the requirements of this paragraph.*

17 “(B) *INTEREST RATE.—To be eligible for a*
 18 *guarantee under this paragraph, the refinancing*
 19 *loan shall have a rate of interest that is fixed*
 20 *over the term of the loan and does not exceed the*
 21 *interest rate of the loan being refinanced.*

22 “(C) *SECURITY.—To be eligible for a guar-*
 23 *antee under this paragraph, the refinancing loan*
 24 *shall be secured by the same single-family resi-*
 25 *dence as was the loan being refinanced, which*

1 *shall be owned by the borrower and occupied by*
2 *the borrower as the principal residence of the*
3 *borrower.*

4 “(D) *AMOUNT.*—*To be eligible for a guar-*
5 *antee under this paragraph, the principal obli-*
6 *gation under the refinancing loan shall not ex-*
7 *ceed an amount equal to the sum of the balance*
8 *of the loan being refinanced and such closing*
9 *costs as may be authorized by the Secretary,*
10 *which shall include a discount not exceeding 2*
11 *basis points and an origination fee not exceeding*
12 *such amount as the Secretary shall prescribe.*

13 “(E) *OTHER REQUIREMENTS.*—*The provi-*
14 *sions of the last sentence of paragraph (1) and*
15 *paragraphs (2), (5), (6)(A), (7), and (9) shall*
16 *apply to loans guaranteed under this paragraph,*
17 *and no other provisions of paragraphs (1)*
18 *through (12) shall apply to such loans.*

19 “(F) *AUTHORITY TO ESTABLISH LIMITA-*
20 *TION.*—*The Secretary may establish limitations*
21 *on the number of loans guaranteed under this*
22 *paragraph, which shall be based on market con-*
23 *ditions and other factors as the Secretary con-*
24 *siders appropriate.”.*

1 **SEC. 702. PROMISSORY NOTE REQUIREMENT UNDER HOUS-**
 2 **ING REPAIR LOAN PROGRAM.**

3 *The fourth sentence of section 504(a) of the Housing*
 4 *Act of 1949 (42 U.S.C. 1474(a)) is amended by striking*
 5 *“\$2,500” and inserting “\$7,500”.*

6 **SEC. 703. LIMITED PARTNERSHIP ELIGIBILITY FOR FARM**
 7 **LABOR HOUSING LOANS.**

8 *The first sentence of section 514(a) of the Housing Act*
 9 *of 1949 (42 U.S.C. 1484(a)) is amended by striking “non-*
 10 *profit limited partnership” and inserting “limited partner-*
 11 *ship”.*

12 **SEC. 704. PROJECT ACCOUNTING RECORDS AND PRAC-**
 13 **TICES.**

14 *Section 515 of the Housing Act of 1949 (42 U.S.C.*
 15 *1485) is amended by striking subsection (z) and inserting*
 16 *the following new subsections:*

17 *“(z) ACCOUNTING AND RECORDKEEPING REQUIRE-*
 18 *MENTS.—*

19 *“(1) ACCOUNTING STANDARDS.—The Secretary*
 20 *shall require that borrowers in programs authorized*
 21 *by this section maintain accounting records in ac-*
 22 *cordance with generally accepted accounting prin-*
 23 *ciples for all projects that receive funds from loans*
 24 *made or guaranteed by the Secretary under this sec-*
 25 *tion.*

1 “(2) *RECORD RETENTION REQUIREMENTS.*—*The*
2 *Secretary shall require that borrowers in programs*
3 *authorized by this section retain for a period of not*
4 *less than 6 years and make available to the Secretary*
5 *in a manner determined by the Secretary, all records*
6 *required to be maintained under this subsection and*
7 *other records identified by the Secretary in applicable*
8 *regulations.*

9 “(aa) *DOUBLE DAMAGES FOR UNAUTHORIZED USE OF*
10 *HOUSING PROJECTS ASSETS AND INCOME.*—

11 “(1) *ACTION TO RECOVER ASSETS OR INCOME.*—

12 “(A) *IN GENERAL.*—*The Secretary may re-*
13 *quest the Attorney General to bring an action in*
14 *a United States district court to recover any as-*
15 *sets or income used by any person in violation*
16 *of the provisions of a loan made or guaranteed*
17 *by the Secretary under this section or in viola-*
18 *tion of any applicable statute or regulation.*

19 “(B) *IMPROPER DOCUMENTATION.*—*For*
20 *purposes of this subsection, a use of assets or in-*
21 *come in violation of the applicable loan, loan*
22 *guarantee, statute, or regulation shall include*
23 *any use for which the documentation in the*
24 *books and accounts does not establish that the use*
25 *was made for a reasonable operating expense or*

1 *necessary repair of the project or for which the*
2 *documentation has not been maintained in ac-*
3 *cordance with the requirements of the Secretary*
4 *and in reasonable condition for proper audit.*

5 “(C) *DEFINITION.*—*For the purposes of this*
6 *subsection, the term ‘person’ means—*

7 “(i) *any individual or entity that bor-*
8 *rows funds in accordance with programs*
9 *authorized by this section;*

10 “(ii) *any individual or entity holding*
11 *25 percent or more interest of any entity*
12 *that borrows funds in accordance with pro-*
13 *grams authorized by this section; and*

14 “(iii) *any officer, director, or partner*
15 *of an entity that borrows funds in accord-*
16 *ance with programs authorized by this sec-*
17 *tion.*

18 “(2) *AMOUNT RECOVERABLE.*—

19 “(A) *IN GENERAL.*—*In any judgment favor-*
20 *able to the United States entered under this sub-*
21 *section, the Attorney General may recover double*
22 *the value of the assets and income of the project*
23 *that the court determines to have been used in*
24 *violation of the provisions of a loan made or*
25 *guaranteed by the Secretary under this section or*

1 *any applicable statute or regulation, plus all*
 2 *costs related to the action, including reasonable*
 3 *attorney and auditing fees.*

4 “(B) *APPLICATION OF RECOVERED*
 5 *FUNDS.—Notwithstanding any other provision of*
 6 *law, the Secretary may use amounts recovered*
 7 *under this subsection for activities authorized*
 8 *under this section and such funds shall remain*
 9 *available for such use until expended.*

10 “(3) *TIME LIMITATION.—Notwithstanding any*
 11 *other provision of law, an action under this sub-*
 12 *section may be commenced at any time during the 6-*
 13 *year period beginning on the date that the Secretary*
 14 *discovered or should have discovered the violation of*
 15 *the provisions of this section or any related statutes*
 16 *or regulations.*

17 “(4) *CONTINUED AVAILABILITY OF OTHER REM-*
 18 *EDIES.—The remedy provided in this subsection is in*
 19 *addition to and not in substitution of any other rem-*
 20 *edies available to the Secretary or the United*
 21 *States.”.*

22 **SEC. 705. DEFINITION OF RURAL AREA.**

23 *The second sentence of section 520 of the Housing Act*
 24 *of 1949 (42 U.S.C. 1490) is amended—*

1 (1) by striking “1990 decennial census” and in-
2 serting “1990 or 2000 decennial census”; and

3 (2) by striking “year 2000” and inserting “year
4 2010”.

5 **SEC. 706. OPERATING ASSISTANCE FOR MIGRANT FARM-**
6 **WORKERS PROJECTS.**

7 *The last sentence of section 521(a)(5)(A) of the Hous-*
8 *ing Act of 1949 (42 U.S.C. 1490a(a)(5)(A)) is amended by*
9 *striking “project” and inserting “tenant or unit”.*

10 **SEC. 707. MULTIFAMILY RENTAL HOUSING LOAN GUAR-**
11 **ANTEE PROGRAM.**

12 *Section 538 of the Housing Act of 1949 (42 U.S.C.*
13 *1490p-2) is amended—*

14 (1) in subsection (c), by inserting “an Indian
15 tribe,” after “thereof,”;

16 (2) in subsection (f), by striking paragraph (1)
17 and inserting the following new paragraph:

18 “(1) be made for a period of not less than 25 nor
19 greater than 40 years from the date the loan was
20 made and may provide for amortization of the loan
21 over a period of not to exceed 40 years with a final
22 payment of the balance due at the end of the loan
23 term;”;

24 (3) in subsection (i)(2), by striking “(A) convey-
25 ance to the Secretary” and all that follows through

1 “(C) assignment” and inserting “(A) submission to
2 the Secretary of a claim for payment under the guar-
3 antee, and (B) assignment”;

4 (4) in subsection (s), by adding at the end the
5 following new subsection:

6 “(4) INDIAN TRIBE.—The term ‘Indian tribe’
7 means—

8 “(A) any Indian tribe, band, nation, or
9 other organized group or community of Indians,
10 including any Alaska Native village or regional
11 or village corporation, as defined by or estab-
12 lished pursuant to the Alaska Native Claims Set-
13 tlement Act (43 U.S.C. 1601 et seq.), that is rec-
14 ognized as eligible for the special programs and
15 services provided by the United States to Indians
16 because of their status as Indians pursuant to
17 the Indian Self-Determination and Education
18 Assistance Act of 1975 (25 U.S.C. 450 et seq.);
19 or

20 “(B) any entity established by the governing
21 body of an Indian tribe described in subpara-
22 graph (A) for the purpose of financing economic
23 development.”;

24 (5) in subsection (t), by inserting before the pe-
25 riod at the end the following: “to provide guarantees

1 *under this section for eligible loans having an aggregate principal amount of \$500,000,000”;*

2 *(6) by striking subsection (l);*

3 *(7) by redesignating subsections (m) through (u) as subsections (l) through (t), respectively; and*

4 *(8) by adding at the end the following new subsections:*

5 *“(u) FEE AUTHORITY.—Any amounts collected by the Secretary pursuant to the fees charged to lenders for loan guarantees issued under this section shall be used to offset costs (as defined by section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a)) of loan guarantees made under this section.*

6 *“(v) DEFAULTS OF LOANS SECURED BY RESERVATION LANDS.—In the event of a default involving a loan to an Indian tribe or tribal corporation made under this section which is secured by an interest in land within such tribe’s reservation (as determined by the Secretary of the Interior), including a community in Alaska incorporated by the Secretary of the Interior pursuant to the Indian Reorganization Act (25 U.S.C. 461 et seq.), the lender shall only pursue liquidation after offering to transfer the account to an eligible tribal member, the tribe, or the Indian housing authority serving the tribe. If the lender subsequently proceeds to liquidate the account, the lender shall not sell, transfer, or*

1 *otherwise dispose of or alienate the property except to one*
 2 *of the entities described in the preceding sentence.”.*

3 **SEC. 708. ENFORCEMENT PROVISIONS.**

4 *(a) IN GENERAL.—Title V of the Housing Act of 1949*
 5 *(42 U.S.C. 1471 et seq.) is amended by adding after section*
 6 *542 the following:*

7 **“SEC. 543. ENFORCEMENT PROVISIONS.**

8 *“(a) EQUITY SKIMMING.—*

9 *“(1) CRIMINAL PENALTY.—Whoever, as an*
 10 *owner, agent, employee, or manager, or is otherwise*
 11 *in custody, control, or possession of property that is*
 12 *security for a loan made or guaranteed under this*
 13 *title, willfully uses, or authorizes the use, of any part*
 14 *of the rents, assets, proceeds, income, or other funds*
 15 *derived from such property, for any purpose other*
 16 *than to meet actual, reasonable, and necessary ex-*
 17 *penditures of the property, or for any other purpose not*
 18 *authorized by this title or the regulations adopted*
 19 *pursuant to this title, shall be fined under title 18,*
 20 *United States Code, or imprisoned not more than 5*
 21 *years, or both.*

22 *“(2) CIVIL SANCTIONS.—An entity or individual*
 23 *who as an owner, operator, employee, or manager, or*
 24 *who acts as an agent for a property that is security*
 25 *for a loan made or guaranteed under this title where*

1 *any part of the rents, assets, proceeds, income, or*
2 *other funds derived from such property are used for*
3 *any purpose other than to meet actual, reasonable,*
4 *and necessary expenses of the property, or for any*
5 *other purpose not authorized by this title or the regu-*
6 *lations adopted pursuant to this title, shall be subject*
7 *to a fine of not more than \$25,000 per violation. The*
8 *sanctions provided in this paragraph may be imposed*
9 *in addition to any other civil sanctions or civil mone-*
10 *etary penalties authorized by law.*

11 “(b) *CIVIL MONETARY PENALTIES.*—

12 “(1) *IN GENERAL.*—*The Secretary may, after no-*
13 *tice and opportunity for a hearing, impose a civil*
14 *monetary penalty in accordance with this subsection*
15 *against any individual or entity, including its own-*
16 *ers, officers, directors, general partners, limited part-*
17 *ners, or employees, who knowingly and materially*
18 *violate, or participate in the violation of, the provi-*
19 *sions of this title, the regulations issued by the Sec-*
20 *retary pursuant to this title, or agreements made in*
21 *accordance with this title, by—*

22 “(A) *submitting information to the Sec-*
23 *retary that is false;*

24 “(B) *providing the Secretary with false cer-*
25 *tifications;*

1 “(C) *failing to submit information re-*
2 *quested by the Secretary in a timely manner;*

3 “(D) *failing to maintain the property sub-*
4 *ject to loans made or guaranteed under this title*
5 *in good repair and condition, as determined by*
6 *the Secretary;*

7 “(E) *failing to provide management for a*
8 *project which received a loan made or guaran-*
9 *teed under this title that is acceptable to the Sec-*
10 *retary; or*

11 “(F) *failing to comply with the provisions*
12 *of applicable civil rights statutes and regula-*
13 *tions.*

14 “(2) *CONDITIONS FOR RENEWAL OR EXTEN-*
15 *SION.—The Secretary may require that expiring loan*
16 *or assistance agreements entered into under this title*
17 *shall not be renewed or extended unless the owner exe-*
18 *cutes an agreement to comply with additional condi-*
19 *tions prescribed by the Secretary, or executes a new*
20 *loan or assistance agreement in the form prescribed*
21 *by the Secretary.*

22 “(3) *AMOUNT.—*

23 “(A) *IN GENERAL.—The amount of a civil*
24 *monetary penalty imposed under this subsection*
25 *shall not exceed the greater of—*

1 “(i) *twice the damages the Department*
2 *of Agriculture, the guaranteed lender, or the*
3 *project that is secured for a loan under this*
4 *section suffered or would have suffered as a*
5 *result of the violation; or*

6 “(ii) *\$50,000 per violation.*

7 “(B) *DETERMINATION.—In determining the*
8 *amount of a civil monetary penalty under this*
9 *subsection, the Secretary shall take into*
10 *consideration—*

11 “(i) *the gravity of the offense;*

12 “(ii) *any history of prior offenses by*
13 *the violator (including offenses occurring*
14 *prior to the enactment of this section);*

15 “(iii) *the ability of the violator to pay*
16 *the penalty;*

17 “(iv) *any injury to tenants;*

18 “(v) *any injury to the public;*

19 “(vi) *any benefits received by the viola-*
20 *tor as a result of the violation;*

21 “(vii) *deterrence of future violations;*
22 *and*

23 “(viii) *such other factors as the Sec-*
24 *retary may establish by regulation.*

1 “(4) *PAYMENT OF PENALTIES.*—No payment of a
2 *penalty assessed under this section may be made from*
3 *funds provided under this title or from funds of a*
4 *project which serve as security for a loan made or*
5 *guaranteed under this title.*

6 “(5) *REMEDIES FOR NONCOMPLIANCE.*—

7 “(A) *JUDICIAL INTERVENTION.*—If a person
8 *or entity fails to comply with a final determina-*
9 *tion by the Secretary imposing a civil monetary*
10 *penalty under this subsection, the Secretary may*
11 *request the Attorney General of the United States*
12 *to bring an action in an appropriate United*
13 *States district court to obtain a monetary judg-*
14 *ment against such individual or entity and such*
15 *other relief as may be available. The monetary*
16 *judgment may, in the court’s discretion, include*
17 *the attorney’s fees and other expenses incurred by*
18 *the United States in connection with the action.*

19 “(B) *REVIEWABILITY OF DETERMINA-*
20 *TION.*—In an action under this paragraph, the
21 *validity and appropriateness of a determination*
22 *by the Secretary imposing the penalty shall not*
23 *be subject to review.”.*

1 (b) *CONFORMING AMENDMENT.*—Section 514 of the
 2 *Housing Act of 1949 (42 U.S.C. 1484)* is amended by strik-
 3 *ing subsection (j).*

4 **SEC. 709. AMENDMENTS TO TITLE 18 OF UNITED STATES**
 5 **CODE.**

6 (a) *MONEY LAUNDERING.*—Section 1956(c)(7)(D) of
 7 *title 18, United States Code,* is amended by inserting “any
 8 *violation of section 543(a)(1) of the Housing Act of 1949*
 9 *(relating to equity skimming),”* after “coupons having a
 10 *value of not less than \$5,000,”*.

11 (b) *OBSTRUCTION OF FEDERAL AUDITS.*—Section
 12 *1516(a) of title 18, United States Code,* is amended by in-
 13 *serting “or relating to any property that is security for a*
 14 *loan that is made or guaranteed under title V of the Hous-*
 15 *ing Act of 1949,”* before “shall be fined under this title”.

16 **TITLE VIII—HOUSING FOR EL-**
 17 **DERLY AND DISABLED FAMI-**
 18 **LIES**

19 **SEC. 801. SHORT TITLE.**

20 *This title may be cited as the “Affordable Housing for*
 21 *Seniors and Families Act”.*

22 **SEC. 802. REGULATIONS.**

23 *The Secretary of Housing and Urban Development (re-*
 24 *ferred to in this title as the “Secretary”)* shall issue any
 25 *regulations to carry out this title and the amendments made*

1 *by this title that the Secretary determines may or will affect*
2 *tenants of federally assisted housing only after notice and*
3 *opportunity for public comment in accordance with the pro-*
4 *cedure under section 553 of title 5, United States Code, ap-*
5 *plicable to substantive rules (notwithstanding subsections*
6 *(a)(2), (b)(B), and (d)(3) of such section). Notice of such*
7 *proposed rulemaking shall be provided by publication in*
8 *the Federal Register. In issuing such regulations, the Sec-*
9 *retary shall take such actions as may be necessary to ensure*
10 *that such tenants are notified of, and provided an oppor-*
11 *tunity to participate in, the rulemaking, as required by*
12 *such section 553.*

13 **SEC. 803. EFFECTIVE DATE.**

14 (a) *IN GENERAL.*—*The provisions of this title and the*
15 *amendments made by this title are effective as of the date*
16 *of enactment of this Act, unless such provisions or amend-*
17 *ments specifically provide for effectiveness or applicability*
18 *upon another date certain.*

19 (b) *EFFECT OF REGULATORY AUTHORITY.*—*Any au-*
20 *thority in this title or the amendments made by this title*
21 *to issue regulations, and any specific requirement to issue*
22 *regulations by a date certain, may not be construed to affect*
23 *the effectiveness or applicability of the provisions of this*
24 *title or the amendments made by this title under such provi-*
25 *sions and amendments and subsection (a) of this section.*

1 ***Subtitle A—Refinancing for Section***
2 ***202 Supportive Housing for the***
3 ***Elderly***

4 **SEC. 811. PREPAYMENT AND REFINANCING.**

5 (a) *APPROVAL OF PREPAYMENT OF DEBT.*—Upon re-
6 quest of the project sponsor of a project assisted with a loan
7 under section 202 of the Housing Act of 1959 (as in effect
8 before the enactment of the Cranston-Gonzalez National Af-
9 fordable Housing Act), the Secretary shall approve the pre-
10 payment of any indebtedness to the Secretary relating to
11 any remaining principal and interest under the loan as
12 part of a prepayment plan under which—

13 (1) *the project sponsor agrees to operate the*
14 *project until the maturity date of the original loan*
15 *under terms at least as advantageous to existing and*
16 *future tenants as the terms required by the original*
17 *loan agreement or any rental assistance payments*
18 *contract under section 8 of the United States Housing*
19 *Act of 1937 (or any other rental housing assistance*
20 *programs of the Department of Housing and Urban*
21 *Development, including the rent supplement program*
22 *under section 101 of the Housing and Urban Develop-*
23 *ment Act of 1965 (12 U.S.C. 1701s)) relating to the*
24 *project; and*

1 (2) *the prepayment may involve refinancing of*
2 *the loan if such refinancing results in a lower interest*
3 *rate on the principal of the loan for the project and*
4 *in reductions in debt service related to such loan.*

5 (b) *SOURCES OF REFINANCING.—In the case of pre-*
6 *payment under this section involving refinancing, the*
7 *project sponsor may refinance the project through any third*
8 *party source, including financing by State and local hous-*
9 *ing finance agencies, use of tax-exempt bonds, multi-family*
10 *mortgage insurance under the National Housing Act, rein-*
11 *surance, or other credit enhancements, including risk shar-*
12 *ing as provided under section 542 of the Housing and Com-*
13 *munity Development Act of 1992 (12 U.S.C. 1707 note).*
14 *For purposes of underwriting a loan insured under the Na-*
15 *tional Housing Act, the Secretary may assume that any*
16 *section 8 rental assistance contract relating to a project will*
17 *be renewed for the term of such loan.*

18 (c) *USE OF UNEXPENDED AMOUNTS.—Upon execution*
19 *of the refinancing for a project pursuant to this section,*
20 *the Secretary shall make available at least 50 percent of*
21 *the annual savings resulting from reduced section 8 or other*
22 *rental housing assistance contracts in a manner that is ad-*
23 *vantageous to the tenants, including—*

24 (1) *not more than 15 percent of the cost of in-*
25 *creasing the availability or provision of supportive*

1 *services, which may include the financing of service*
2 *coordinators and congregate services;*

3 *(2) rehabilitation, modernization, or retrofitting*
4 *of structures, common areas, or individual dwelling*
5 *units;*

6 *(3) construction of an addition or other facility*
7 *in the project, including assisted living facilities (or,*
8 *upon the approval of the Secretary, facilities located*
9 *in the community where the project sponsor refi-*
10 *nances a project under this section, or pools shared*
11 *resources from more than 1 such project); or*

12 *(4) rent reduction of unassisted tenants residing*
13 *in the project according to a pro rata allocation of*
14 *shared savings resulting from the refinancing.*

15 *(d) USE OF CERTAIN PROJECT FUNDS.—The Sec-*
16 *retary shall allow a project sponsor that is prepaying and*
17 *refinancing a project under this section—*

18 *(1) to use any residual receipts held for that*
19 *project in excess of \$500 per individual dwelling unit*
20 *for not more than 15 percent of the cost of activities*
21 *designed to increase the availability or provision of*
22 *supportive services; and*

23 *(2) to use any reserves for replacement in excess*
24 *of \$1,000 per individual dwelling unit for activities*
25 *described in paragraphs (2) and (3) of subsection (c).*

1 (e) *BUDGET ACT COMPLIANCE.*—*This section shall be*
 2 *effective only to extent or in such amounts that are provided*
 3 *in advance in appropriation Acts.*

4 ***Subtitle B—Authorization of Appro-***
 5 ***priations for Supportive Hous-***
 6 ***ing for the Elderly and Persons***
 7 ***With Disabilities***

8 ***SEC. 821. SUPPORTIVE HOUSING FOR ELDERLY PERSONS.***

9 *Section 202 of the Housing Act of 1959 (12 U.S.C.*
 10 *1701q) is amended by adding at the end the following:*

11 “(m) *AUTHORIZATION OF APPROPRIATIONS.*—*There*
 12 *are authorized to be appropriated for providing assistance*
 13 *under this section such sums as may be necessary for each*
 14 *of fiscal years 2001, 2002, and 2003. Of the amount pro-*
 15 *vided in appropriation Acts for assistance under this sec-*
 16 *tion in each such fiscal year, 5 percent shall be available*
 17 *only for providing assistance in accordance with the re-*
 18 *quirements under subsection (c)(4) (relating to matching*
 19 *funds), except that if there are insufficient eligible appli-*
 20 *cants for such assistance, any amount remaining shall be*
 21 *used for assistance under this section.”.*

1 **SEC. 822. SUPPORTIVE HOUSING FOR PERSONS WITH DIS-**
 2 **ABILITIES.**

3 *Section 811 of the Cranston-Gonzalez National Afford-*
 4 *able Housing Act (42 U.S.C. 8013) is amended by striking*
 5 *subsection (m) and inserting the following:*

6 “(m) *AUTHORIZATION OF APPROPRIATIONS.—There*
 7 *are authorized to be appropriated for providing assistance*
 8 *under this section such sums as may be necessary for each*
 9 *of fiscal years 2001, 2002, and 2003. Of the amount pro-*
 10 *vided in appropriation Acts for assistance under this sec-*
 11 *tion in each such fiscal year, 5 percent shall be available*
 12 *only for providing assistance in accordance with the re-*
 13 *quirements under subsection (d)(5) (relating to matching*
 14 *funds), except that if there are insufficient eligible appli-*
 15 *cants for such assistance, any amount remaining shall be*
 16 *used for assistance under this section.”.*

17 **SEC. 823. SERVICE COORDINATORS AND CONGREGATE**
 18 **SERVICES FOR ELDERLY AND DISABLED**
 19 **HOUSING.**

20 *There are authorized to be appropriated to the Sec-*
 21 *retary such sums as may be necessary for each of fiscal*
 22 *years 2001, 2002, and 2003, for the following purposes:*

23 (1) *GRANTS FOR SERVICE COORDINATORS FOR*
 24 *CERTAIN FEDERALLY ASSISTED MULTIFAMILY HOUS-*
 25 *ING.—For grants under section 676 of the Housing*

1 *and Community Development Act of 1992 (42 U.S.C.*
 2 *13632) for providing service coordinators.*

3 (2) *CONGREGATE SERVICES FOR FEDERALLY AS-*
 4 *SISTED HOUSING.—For contracts under section 802 of*
 5 *the Cranston-Gonzalez National Affordable Housing*
 6 *Act (42 U.S.C. 8011) to provide congregate services*
 7 *programs for eligible residents of eligible housing*
 8 *projects under subparagraphs (B) through (D) of sub-*
 9 *section (k)(6) of such section.*

10 ***Subtitle C—Expanding Housing Op-***
 11 ***portunities for the Elderly and***
 12 ***Persons With Disabilities***

13 ***PART 1—HOUSING FOR THE ELDERLY***

14 ***SEC. 831. ELIGIBILITY OF FOR-PROFIT LIMITED PARTNER-***
 15 ***SHIPS.***

16 *Section 202(k)(4) of the Housing Act of 1959 (12*
 17 *U.S.C. 1701q(k)(4)) is amended by inserting after subpara-*
 18 *graph (C) the following:*

19 *“Such term includes a for-profit limited partnership*
 20 *the sole general partner of which is an organization*
 21 *meeting the requirements under subparagraphs (A),*
 22 *(B), and (C), or a corporation wholly owned and con-*
 23 *trolled by an organization meeting the requirements*
 24 *under subparagraphs (A), (B), and (C).”.*

1 **SEC. 832. MIXED FUNDING SOURCES.**

2 *Section 202(h)(6) of the Housing Act of 1959 (12*
3 *U.S.C. 1701q(h)(6)) is amended—*

4 *(1) by striking “non-Federal sources” and insert-*
5 *ing “sources other than this section”; and*

6 *(2) by adding at the end the following new sen-*
7 *tence: “Notwithstanding any other provision of law,*
8 *assistance amounts provided under this section may*
9 *be treated as amounts not derived from a Federal*
10 *grant.”.*

11 **SEC. 833. AUTHORITY TO ACQUIRE STRUCTURES.**

12 *Section 202 of the Housing Act of 1959 (12 U.S.C.*
13 *1701q) is amended—*

14 *(1) in subsection (b), by striking “from the Reso-*
15 *lution Trust Corporation”; and*

16 *(2) in subsection (h)(2)—*

17 *(A) in the paragraph heading, by striking*
18 *“RTC PROPERTIES” and inserting “ACQUISSI-*
19 *TION”; and*

20 *(B) by striking “from the Resolution” and*
21 *all that follows through “Insurance Act”.*

22 **SEC. 834. USE OF PROJECT RESERVES.**

23 *Section 202(j) of the Housing Act of 1959 (12 U.S.C.*
24 *1701q(j)) is amended by adding at the end the following:*

25 *“(8) USE OF PROJECT RESERVES.—Amounts for*
26 *project reserves for a project assisted under this sec-*

1 *tion may be used for costs, subject to reasonable limi-*
 2 *tations as the Secretary determines appropriate, for*
 3 *reducing the number of dwelling units in the project.*
 4 *Such use shall be subject to the approval of the Sec-*
 5 *retary to ensure that the use is designed to retrofit*
 6 *units that are currently obsolete or unmarketable.”.*

7 **SEC. 835. COMMERCIAL ACTIVITIES.**

8 *Section 202(h)(1) of the Housing Act of 1959 (12*
 9 *U.S.C. 1701q(h)(1)) is amended by adding at the end the*
 10 *following: “Neither this section nor any other provision of*
 11 *law may be construed as prohibiting or preventing the loca-*
 12 *tion and operation, in a project assisted under this section,*
 13 *of commercial facilities for the benefit of residents of the*
 14 *project and the community in which the project is located,*
 15 *except that assistance made available under this section*
 16 *may not be used to subsidize any such commercial facil-*
 17 *ity.”.*

18 **PART 2—HOUSING FOR PERSONS WITH**
 19 **DISABILITIES**

20 **SEC. 841. ELIGIBILITY OF FOR-PROFIT LIMITED PARTNER-**
 21 **SHIPS.**

22 *Section 811(k)(6) of the Housing Act of 1959 (42*
 23 *U.S.C. 8013(k)(6)) is amended by inserting after subpara-*
 24 *graph (D) the following:*

1 *“Such term includes a for-profit limited partnership*
 2 *the sole general partner of which is an organization*
 3 *meeting the requirements under subparagraphs (A),*
 4 *(B), (C), and (D) or a corporation wholly owned and*
 5 *controlled by an organization meeting the require-*
 6 *ments under subparagraphs (A), (B), (C), and (D).”.*

7 **SEC. 842. MIXED FUNDING SOURCES.**

8 *Section 811(h)(5) of the Cranston-Gonzalez National*
 9 *Affordable Housing Act (42 U.S.C. 8013(h)(5)) is*
 10 *amended—*

11 *(1) by striking “non-Federal sources” and insert-*
 12 *ing “sources other than this section”; and*

13 *(2) by adding at the end the following new sen-*
 14 *tence: “Notwithstanding any other provision of law,*
 15 *assistance amounts provided under this section may*
 16 *be treated as amounts not derived from a Federal*
 17 *grant.”.*

18 **SEC. 843. TENANT-BASED ASSISTANCE.**

19 *Section 811 of the Cranston-Gonzalez National Afford-*
 20 *able Housing Act (42 U.S.C. 8013) is amended—*

21 *(1) in subsection (d), by striking paragraph (4)*
 22 *and inserting the following:*

23 *“(4) TENANT-BASED RENTAL ASSISTANCE.—*

24 *“(A) ADMINISTERING ENTITIES.—Tenant-*
 25 *based rental assistance provided under subsection*

1 **(b)(1)** may be provided only through a public
2 housing agency that has submitted and had ap-
3 proved an plan under section 7(d) of the United
4 States Housing Act of 1937 (42 U.S.C. 1437e(d))
5 that provides for such assistance, or through a
6 private nonprofit organization. A public housing
7 agency shall be eligible to apply under this sec-
8 tion only for the purposes of providing such ten-
9 ant-based rental assistance.

10 “(B) *PROGRAM RULES.*—Tenant-based rent-
11 al assistance under subsection (b)(1) shall be
12 made available to eligible persons with disabil-
13 ities and administered under the same rules that
14 govern tenant-based rental assistance made
15 available under section 8 of the United States
16 Housing Act of 1937, except that the Secretary
17 may waive or modify such rules, but only to the
18 extent necessary to provide for administering
19 such assistance under subsection (b)(1) through
20 private nonprofit organizations rather than
21 through public housing agencies.

22 “(C) *ALLOCATION OF ASSISTANCE.*—In de-
23 termining the amount of assistance provided
24 under subsection (b)(1) for a private nonprofit
25 organization or public housing agency, the Sec-

1 *retary shall consider the needs and capabilities*
2 *of the organization or agency, in the case of a*
3 *public housing agency, as described in the plan*
4 *for the agency under section 7 of the United*
5 *States Housing Act of 1937.”; and*

6 *(2) in subsection (l)(1)—*

7 *(A) by striking “subsection (b)” and insert-*
8 *ing “subsection (b)(2)”;*

9 *(B) by striking the last comma and all that*
10 *follows through “subsection (n)”;* and

11 *(C) by adding at the end the following:*
12 *“Notwithstanding any other provision of this*
13 *section, the Secretary may use not more than 25*
14 *percent of the total amounts made available for*
15 *assistance under this section for any fiscal year*
16 *for tenant-based rental assistance under sub-*
17 *section (b)(1) for persons with disabilities, and*
18 *no authority of the Secretary to waive provisions*
19 *of this section may be used to alter the percent-*
20 *age limitation under this sentence.”.*

21 **SEC. 844. USE OF PROJECT RESERVES.**

22 *Section 811(j) of the Cranston-Gonzalez National Af-*
23 *fordable Housing Act (42 U.S.C. 8013(j)) is amended by*
24 *adding at the end the following:*

1 “(7) *USE OF PROJECT RESERVES.*—Amounts for
 2 project reserves for a project assisted under this sec-
 3 tion may be used for costs, subject to reasonable limi-
 4 tations as the Secretary determines appropriate, for
 5 reducing the number of dwelling units in the project.
 6 Such use shall be subject to the approval of the Sec-
 7 retary to ensure that the use is designed to retrofit
 8 units that are currently obsolete or unmarketable.”.

9 **SEC. 845. COMMERCIAL ACTIVITIES.**

10 Section 811(h)(1) of the Cranston-Gonzalez National
 11 Affordable Housing Act (42 U.S.C. 8013(h)(1)) is amended
 12 by adding at the end the following: “Neither this section
 13 nor any other provision of law may be construed as prohib-
 14 iting or preventing the location and operation, in a project
 15 assisted under this section, of commercial facilities for the
 16 benefit of residents of the project and the community in
 17 which the project is located, except that assistance made
 18 available under this section may not be used to subsidize
 19 any such commercial facility.”.

20 **PART 3—OTHER PROVISIONS**

21 **SEC. 851. SERVICE COORDINATORS.**

22 (a) *INCREASED FLEXIBILITY FOR USE OF SERVICE*
 23 *COORDINATORS IN CERTAIN FEDERALLY ASSISTED HOUS-*
 24 *ING.*—Section 676 of the Housing and Community Develop-
 25 ment Act of 1992 (42 U.S.C. 13632) is amended—

1 (1) *in the section heading, by striking “**MULTI-***
2 ***FAMILY HOUSING ASSISTED UNDER NATIONAL***
3 ***HOUSING ACT*” and inserting “**CERTAIN FEDER-****
4 ***ALLY ASSISTED HOUSING*”;**

5 (2) *in subsection (a)—*

6 (A) *in the first sentence, by striking “(E)*
7 *and (F)” and inserting “(B), (C), (D), (E), (F),*
8 *and (G)”;* and

9 (B) *in the last sentence—*

10 (i) *by striking “section 661” and in-*
11 *serting “section 671”;* and

12 (ii) *by adding at the end the following:*
13 *“A service coordinator funded with a grant*
14 *under this section for a project may provide*
15 *services to low-income elderly or disabled*
16 *families living in the vicinity of such*
17 *project.”;*

18 (3) *in subsection (d)—*

19 (A) *by striking “(E) or (F)” and inserting*
20 *“(B), (C), (D), (E), (F), or (G)”;* and

21 (B) *by striking “section 661” and inserting*
22 *“section 671”;* and

23 (4) *by striking subsection (c) and redesignating*
24 *subsection (d) (as amended by paragraph (3) of this*
25 *subsection) as subsection (c).*

1 **(b) REQUIREMENT TO PROVIDE SERVICE COORDINA-**
 2 *TORS.*—*Section 671 of the Housing and Community Devel-*
 3 *opment Act of 1992 (42 U.S.C. 13631) is amended—*

4 (1) *in the first sentence of subsection (a), by*
 5 *striking “to carry out this subtitle pursuant to the*
 6 *amendments made by this subtitle” and inserting the*
 7 *following: “for providing service coordinators under*
 8 *this section”;*

9 (2) *in subsection (d), by inserting “)” after “sec-*
 10 *tion 683(2)”;* and

11 (3) *by adding at the end following:*

12 **“(e) SERVICES FOR LOW-INCOME ELDERLY OR DIS-**
 13 *ABLED FAMILIES RESIDING IN VICINITY OF CERTAIN*
 14 *PROJECTS.*—*To the extent only that this section applies to*
 15 *service coordinators for covered federally assisted housing*
 16 *described in subparagraphs (B), (C), (D), (E), (F), and (G)*
 17 *of section 683(2), any reference in this section to elderly*
 18 *or disabled residents of a project shall be construed to in-*
 19 *clude low-income elderly or disabled families living in the*
 20 *vicinity of such project.”.*

21 **(c) PROTECTION AGAINST TELEMARKETING FRAUD.**—

22 (1) **SUPPORTIVE HOUSING FOR THE ELDERLY.**—
 23 *The first sentence of section 202(g)(1) of the Housing*
 24 *Act of 1959 (12 U.S.C. 1701q(g)(1)) is amended by*
 25 *striking “and (F)” and inserting the following: “(F)*

1 *providing education and outreach regarding tele-*
 2 *marketing fraud, in accordance with the standards*
 3 *issued under section 671(f) of the Housing and Com-*
 4 *munity Development Act of 1992 (42 U.S.C.*
 5 *13631(f)); and (G)”.*

6 (2) *OTHER FEDERALLY ASSISTED HOUSING.—*
 7 *Section 671 of the Housing and Community Develop-*
 8 *ment Act of 1992 (42 U.S.C. 13631), as amended by*
 9 *subsection (b) of this section, is further amended—*

10 (A) *in the first sentence of subsection (c), by*
 11 *inserting after “response,” the following: “edu-*
 12 *cation and outreach regarding telemarketing*
 13 *fraud in accordance with the standards issued*
 14 *under subsection (f),”;* and

15 (B) *by adding at the end the following:*

16 “(f) *PROTECTION AGAINST TELEMARKETING*
 17 *FRAUD.—*

18 “(1) *IN GENERAL.—The Secretary, in coordina-*
 19 *tion with the Secretary of Health and Human Serv-*
 20 *ices, shall establish standards for service coordinators*
 21 *in federally assisted housing who are providing edu-*
 22 *cation and outreach to elderly persons residing in*
 23 *such housing regarding telemarketing fraud. The*
 24 *standards shall be designed to ensure that such edu-*
 25 *cation and outreach informs such elderly persons of*

1 *the dangers of telemarketing fraud and facilitates the*
2 *investigation and prosecution of telemarketers engag-*
3 *ing in fraud against such residents.*

4 “(2) *CONTENTS.—The standards established*
5 *under this subsection shall require that any such edu-*
6 *cation and outreach be provided in a manner that—*

7 “(A) *informs such residents of—*

8 “(i) *the prevalence of telemarketing*
9 *fraud targeted against elderly persons;*

10 “(ii) *how telemarketing fraud works;*

11 “(iii) *how to identify telemarketing*
12 *fraud;*

13 “(iv) *how to protect themselves against*
14 *telemarketing fraud, including an expla-*
15 *nation of the dangers of providing bank ac-*
16 *count, credit card, or other financial or per-*
17 *sonal information over the telephone to un-*
18 *solicited callers;*

19 “(v) *how to report suspected attempts*
20 *at telemarketing fraud; and*

21 “(vi) *their consumer protection rights*
22 *under Federal law;*

23 “(B) *provides such other information as the*
24 *Secretary considers necessary to protect such*
25 *residents against fraudulent telemarketing; and*

1 “(C) disseminates the information provided
 2 by appropriate means, and in determining such
 3 appropriate means, the Secretary shall consider
 4 on-site presentations at federally assisted hous-
 5 ing, public service announcements, a printed
 6 manual or pamphlet, an Internet website, and
 7 telephone outreach to residents whose names ap-
 8 pear on ‘mooch lists’ confiscated from fraudulent
 9 telemarketers.”.

10 ***Subtitle D—Preservation of***
 11 ***Affordable Housing Stock***

12 **SEC. 861. SECTION 236 ASSISTANCE.**

13 (a) *EXTENSION OF AUTHORITY TO RETAIN EXCESS*
 14 *CHARGES.*—Section 236(g) of the National Housing Act (12
 15 U.S.C. 1715z–1(g)), as amended by the Departments of Vet-
 16 erans Affairs and Housing and Urban Development, and
 17 Independent Agencies Appropriations Act, 2001, is
 18 amended—

19 (1) in paragraph (2), by striking “Subject to
 20 paragraph (3) and notwithstanding” and inserting
 21 “Notwithstanding”; and

22 (2) by striking paragraph (3) and redesignating
 23 paragraph (4) as paragraph (3).

24 (b) *TREATMENT OF EXCESS CHARGES PREVIOUSLY*
 25 *COLLECTED.*—Any excess charges that a project owner may

1 *retain pursuant to the amendments made by subsections (b)*
2 *and (c) of section 532 of the Departments of Veterans Af-*
3 *fairs and Housing and Urban Development, and Inde-*
4 *pendent Agencies Appropriations Act, 2000 (Public Law*
5 *106–74; 113 Stat. 1116) that have been collected by such*
6 *owner since the date of the enactment of such Appropria-*
7 *tions Act and that such owner has not remitted to the Sec-*
8 *retary of Housing and Urban Development may be retained*
9 *by such owner unless such Secretary otherwise provides. To*
10 *the extent that a project owner has remitted such excess*
11 *charges to the Secretary since such date of enactment, the*
12 *Secretary may return to the relevant project owner any*
13 *such excess charges remitted. Notwithstanding any other*
14 *provision of law, amounts in the Rental Housing Assistance*
15 *Fund, or heretofore or subsequently transferred from the*
16 *Rental Housing Assistance Fund to the Flexible Subsidy*
17 *Fund, shall be available to make such return of excess*
18 *charges previously remitted to the Secretary, including the*
19 *return of excess charges referred to in section 532(e) of such*
20 *Appropriations Act.*

1 ***Subtitle E—Mortgage Insurance for***
2 ***Health Care Facilities***

3 ***SEC. 871. REHABILITATION OF EXISTING HOSPITALS, NURS-***
4 ***ING HOMES, AND OTHER FACILITIES.***

5 *Section 223(f) of the National Housing Act (12 U.S.C.*
6 *1715n(f)) is amended—*

7 *(1) in paragraph (1)—*

8 *(A) by striking “the refinancing of existing*
9 *debt of an”; and*

10 *(B) by inserting “existing integrated service*
11 *facility,” after “existing board and care home,”;*

12 *(2) in paragraph (4)—*

13 *(A) by inserting “existing integrated service*
14 *facility,” after “board and care home,” each*
15 *place it appears;*

16 *(B) in subparagraph (A), by inserting be-*
17 *fore the semicolon at the end the following: “,*
18 *which refinancing, in the case of a loan on a*
19 *hospital, home, or facility that is within 2 years*
20 *of maturity, shall include a mortgage made to*
21 *prepay such loan”;*

22 *(C) in subparagraph (B), by inserting after*
23 *“indebtedness” the following: “, pay any other*
24 *costs including repairs, maintenance, minor im-*

1 *provements, or additional equipment which may*
2 *be approved by the Secretary,”; and*

3 *(D) in subparagraph (D)—*

4 *(i) by inserting “existing” before “in-*
5 *termediate care facility”; and*

6 *(ii) by inserting “existing” before*
7 *“board and care home”; and*

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

9 *“(6) In the case of purchase of an existing hos-*
10 *pital (or existing nursing home, existing assisted liv-*
11 *ing facility, existing intermediate care facility, exist-*
12 *ing board and care home, existing integrated service*
13 *facility or any combination thereof) the Secretary*
14 *shall prescribe such terms and conditions as the Sec-*
15 *retary deems necessary to assure that—*

16 *“(A) the proceeds of the insured mortgage*
17 *loan will be employed only for the purchase of*
18 *the existing hospital (or existing nursing home,*
19 *existing assisted living facility, existing inter-*
20 *mediate care facility, existing board and care*
21 *home, existing integrated service facility or any*
22 *combination thereof) including the retirement of*
23 *existing debt (if any), necessary costs associated*
24 *with the purchase and the insured mortgage fi-*
25 *nancing, and such other costs, including costs of*

1 *repairs, maintenance, improvements, and addi-*
 2 *tional equipment, as may be approved by the*
 3 *Secretary;*

4 “(B) *such existing hospital (or existing*
 5 *nursing home, existing assisted living facility,*
 6 *existing intermediate care facility, existing board*
 7 *and care home, existing integrated service facil-*
 8 *ity, or any combination thereof) is economically*
 9 *viable; and*

10 “(C) *the applicable requirements for certifi-*
 11 *cates, studies, and statements of section 232 (for*
 12 *the existing nursing home, existing assisted liv-*
 13 *ing facility, intermediate care facility, board*
 14 *and care home, existing integrated service facil-*
 15 *ity or any combination thereof, proposed to be*
 16 *purchased) or of section 242 (for the existing hos-*
 17 *pital proposed to be purchased) have been met.”.*

18 **SEC. 872. NEW INTEGRATED SERVICE FACILITIES.**

19 *Section 232 of the National Housing Act (12 U.S.C.*
 20 *1715w) is amended—*

21 *(1) in subsection (a)—*

22 *(A) in paragraph (1), by striking “are not*
 23 *acutely ill and”;*

24 *(B) in paragraph (2), by striking “never-*
 25 *theless”; and*

1 (C) by adding at the end the following:

2 “(4) The development of integrated service facili-
3 ties for the care and treatment of the elderly and
4 other persons in need of health care and related serv-
5 ices, but who do not require hospital care, and the
6 support of health care facilities which provide such
7 health care and related services (including those that
8 support hospitals (as defined in section 242(b))).”;

9 (2) in subsection (b)—

10 (A) in paragraph (1), by striking “acutely
11 ill and not”;

12 (B) in paragraph (4), by inserting after the
13 second period the following: “Such term includes
14 a parity first mortgage or parity first deed of
15 trust, subject to such terms and conditions as the
16 Secretary may provide.”;

17 (C) in paragraph (6)—

18 (i) by striking subparagraph (A) and
19 inserting the following:

20 “(A) meets all applicable licensing and reg-
21 ulatory requirements of the State, or if there is
22 no State law providing for such licensing and
23 regulation by the State, meets all applicable li-
24 censing and regulatory requirements of the mu-
25 nicipality or other political subdivision in which

1 *the facility is located, or, in the absence of any*
2 *such requirements, meets any underwriting re-*
3 *quirements of the Secretary for such purposes;”;*
4 *and*

5 *(ii) in subparagraph (C), by striking*
6 *“and” at the end;*

7 *(D) in paragraph (7), by striking the pe-*
8 *riod at the end and inserting “; and”; and*

9 *(E) by adding at the end the following:*

10 *“(8) the term ‘integrated service facility’ means*
11 *a facility—*

12 *“(A) providing integrated health care deliv-*
13 *ery services designed and operated to provide*
14 *medical, convalescent, skilled and intermediate*
15 *nursing, board and care services, assisted living,*
16 *rehabilitation, custodial, personal care services,*
17 *or any combination thereof, to sick, injured, dis-*
18 *abled, elderly, or infirm persons, or providing*
19 *services for the prevention of illness, or any com-*
20 *bination thereof;*

21 *“(B) designed, in whole or in part, to pro-*
22 *vide a continuum of care, as determined by the*
23 *Secretary, for the sick, injured, disabled, elderly,*
24 *or infirm;*

1 “(C) providing clinical services, outpatient
2 services, including community health services
3 and medical practice facilities and group prac-
4 tice facilities, to sick, injured, disabled, elderly,
5 or infirm persons not in need of the services ren-
6 dered in other facilities insurable under this
7 title, or for the prevention of illness, or any com-
8 bination thereof; or

9 “(D)(i) designed, in whole or in part to
10 provide supportive or ancillary services to hos-
11 pitals (as defined in section 242(b)), which serv-
12 ices may include services provided by special use
13 health care facilities, professional office build-
14 ings, laboratories, administrative offices, and
15 other facilities supportive or ancillary to health
16 care delivery by such hospitals; and

17 “(i) that meet standards acceptable to the
18 Secretary, which may include standards gov-
19 erning licensure or State or local approval and
20 regulation of a mortgagor; or

21 “(E) that provides any combination of the
22 services under subparagraphs (A) through (D).”;
23 (3) in subsection (d)—

24 (A) in the matter preceding paragraph
25 (1)—

1 (i) by inserting “board and care
2 home,” after “rehabilitated nursing home,”;

3 (ii) by inserting “integrated service fa-
4 cility,” after “assisted living facility,” the
5 first 2 places it appears;

6 (iii) by inserting “board and care
7 home,” after “existing nursing home,”; and

8 (iv) by striking “or a board and care
9 home” and inserting “, board and care
10 home or integrated service facility”;

11 (B) in paragraph (2)—

12 (i) in the matter preceding subpara-
13 graph (A), by inserting before “, including”
14 the following: “or a public body, public
15 agency, or public corporation eligible under
16 this section”; and

17 (ii) in subparagraph (B), by striking
18 “energy conservation measures” and all
19 that follows through “95–619)” and insert-
20 ing “energy conserving improvements (as
21 defined in section 2(a))”.

22 (C) in paragraph (4)(A)—

23 (i) in the first sentence—

24 (I) by inserting “, and integrated
25 service facilities that include such

1 *nursing home and intermediate care*
2 *facilities,” before “, the Secretary”;*

3 *(II) by striking “or section 1521*
4 *of the Public Health Service Act” and*
5 *inserting “of the Public Health Service*
6 *Act, or other applicable Federal law*
7 *(or, in the absence of applicable Fed-*
8 *eral law, by the Secretary),”;*

9 *(III) by inserting “, or the por-*
10 *tion of an integrated service facility*
11 *providing such services,” before “cov-*
12 *ered by the mortgage,”; and*

13 *(IV) by inserting “or for such*
14 *nursing or intermediate care services*
15 *within an integrated service facility”*
16 *before “, and (ii)”;*

17 *(ii) in the second sentence, by inserting*
18 *“(which may be within an integrated serv-*
19 *ice facility)” after “home and facility”;*

20 *(iii) in the third sentence—*

21 *(I) by striking “mortgage under*
22 *this section” and all that follows*
23 *through “feasibility” and inserting the*
24 *following: “such mortgage under this*
25 *section unless (i) the proposed mort-*

1 *gagor or applicant for the mortgage in-*
2 *surance for the home or facility or*
3 *combined home or facility, or the inte-*
4 *grated service facility containing such*
5 *services, has commissioned and paid*
6 *for the preparation of an independent*
7 *study of market need for the project”;*

8 *(II) in clause (i)(II), by striking*
9 *“and its relationship to, other health*
10 *care facilities and” and inserting “or*
11 *such facilities within an integrated*
12 *service facility, and its relationship to,*
13 *other facilities providing health care”;*

14 *(III) in clause (i)(IV), by striking*
15 *“in the event the State does not pre-*
16 *pare the study,”; and*

17 *(IV) in clause (i)(IV), by striking*
18 *“the State or”;* and

19 *(V) in clause (ii), by striking “or*
20 *section 1521 of the Public Health Serv-*
21 *ice Act” and inserting “of the Public*
22 *Health Service Act, or other applicable*
23 *Federal law (or, in the absence of ap-*
24 *plicable Federal law, by the Sec-*
25 *retary),”;*

1 (iv) by striking the penultimate sen-
2 tence and inserting the following: “A study
3 commissioned or undertaken by the State in
4 which the facility will be located shall be
5 considered to satisfy such market study re-
6 quirement. The proposed mortgagor or ap-
7 plicant may reimburse the State for the cost
8 of an independent study referred to in the
9 preceding sentence.”; and

10 (v) in the last sentence—

11 (I) by inserting “the proposed
12 mortgagor or applicant for mortgage
13 insurance may obtain from” after “10
14 individuals,”;

15 (II) by striking “may” and in-
16 serting “and”; and

17 (III) by inserting a comma before
18 “written support”; and

19 (D) in paragraph (4)(C)(iii), by striking
20 “the appropriate State” and inserting “any ap-
21 propriate”; and

22 (4) in subsection (i)(1), by inserting “integrated
23 service facilities,” after “assisted living facilities,”.

1 **SEC. 873. HOSPITALS AND HOSPITAL-BASED INTEGRATED**
2 **SERVICE FACILITIES.**

3 *Section 242 of the National Housing Act (12 U.S.C.*
4 *1715z-7) is amended—*

5 *(1) in subsection (b)—*

6 *(A) in paragraph (1)—*

7 *(i) in subparagraph (A), by adding*
8 *“and” at the end;*

9 *(ii) by striking subparagraph (B); and*

10 *(iii) by redesignating subparagraph*
11 *(C) as subparagraph (B) and striking*
12 *“and” at the end;*

13 *(B) in paragraph (2), by striking “respect-*
14 *fully” and all that follows through the period at*
15 *the end and inserting “given such terms in sec-*
16 *tion 207(a), except that the term ‘mortgage’ shall*
17 *include a parity first mortgage or parity first*
18 *deed of trust, subject to such terms and condi-*
19 *tions as the Secretary may provide; and”;* and

20 *(C) by adding at the end the following:*

21 *“(3) the term ‘integrated service facility’ has the*
22 *meaning given the term in section 232(b).”;*

23 *(2) in subsection (c), by striking “title VII of”*
24 *and inserting “title VI of”;*

25 *(3) in subsection (d)—*

1 (A) in the matter preceding paragraph (1),
2 by inserting after “operation,” the following: “or
3 that covers an integrated service facility owned
4 or to be owned by an applicant or proposed
5 mortgagor that also owns a hospital in the same
6 market area, including equipment to be used in
7 its operation,”;

8 (B) in paragraph (1)—

9 (i) in the first sentence, by inserting
10 before the period at the end the following:
11 “and who, in the case of a mortgage cov-
12 ering an integrated service facility, is also
13 the owner of a hospital facility”; and

14 (ii) by adding at the end the following:
15 “A mortgage insured hereunder covering an
16 integrated service facility may only cover
17 the real and personal property where the el-
18 igible facility will be located.”;

19 (C) in paragraph (2)(A), by inserting “or
20 integrated service facility” before the comma;
21 and

22 (D) in paragraph (2)(B), by striking “en-
23 ergy conservation measures” and all that follows
24 through “95–619)” and inserting “energy con-

1 *servicing improvements (as defined in section*
2 *2(a))”;*

3 *(E) in paragraph (4)—*

4 *(i) in the first sentence—*

5 *(I) by inserting “for a hospital”*
6 *after “any mortgage”; and*

7 *(II) by striking “or section 1521*
8 *of the Public Health Service Act” and*
9 *inserting “of the Public Health Service*
10 *Act, or other applicable Federal law*
11 *(or, in the absence of applicable Fed-*
12 *eral law, by the Secretary),”;*

13 *(ii) by striking the third sentence and*
14 *inserting the following: “If no such State*
15 *agency exists, or if the State agency exists*
16 *but is not empowered to provide a certifi-*
17 *cation that there is a need for the hospital*
18 *as set forth in subparagraph (A) of the first*
19 *sentence, the Secretary shall not insure any*
20 *such mortgage under this section unless: (A)*
21 *the proposed mortgagor or applicant for the*
22 *hospital has commissioned and paid for the*
23 *preparation of an independent study of*
24 *market need for the proposed project that:*
25 *(i) is prepared in accordance with the prin-*

1 *principles established by the Secretary, in con-*
2 *sultation with the Secretary of Health and*
3 *Human Services (to the extent the Secretary*
4 *of Housing and Urban Development con-*
5 *siders appropriate); (ii) assesses, on a*
6 *marketwide basis, the impact of the pro-*
7 *posed hospital on, and its relationship to,*
8 *other facilities providing health care serv-*
9 *ices, the percentage of excess beds, demo-*
10 *graphic projections, alternative health care*
11 *delivery systems, and the reimbursement*
12 *structure of the hospital; (iii) is addressed*
13 *to and is acceptable to the Secretary in*
14 *form and substance; and (iv) is prepared by*
15 *a financial consultant selected by the pro-*
16 *posed mortgagor or applicant and approved*
17 *by the Secretary; and (B) the State com-*
18 *plies with the other provisions of this para-*
19 *graph that would otherwise be required to*
20 *be met by a State agency designated in ac-*
21 *cordance with section 604(a)(1) of the Pub-*
22 *lic Health Service Act, or other applicable*
23 *Federal law (or, in the absence of applicable*
24 *Federal law, by the Secretary). A study*
25 *commissioned or undertaken by the State in*

1 *which the hospital will be located shall be*
 2 *considered to satisfy such market study re-*
 3 *quirement.”; and*

4 *(iii) in the last sentence, by striking*
 5 *“feasibility”; and*

6 *(4) in subsection (f), by inserting “and public*
 7 *integrated service facilities” after “public hospitals”.*

8 **TITLE IX—OTHER RELATED**
 9 **HOUSING PROVISIONS**

10 **SEC. 901. EXTENSION OF LOAN TERM FOR MANUFACTURED**
 11 **HOME LOTS.**

12 *Section 2(b)(3)(E) of the National Housing Act (12*
 13 *U.S.C. 1703(b)(3)(E)) is amended by striking “fifteen” and*
 14 *inserting “twenty”.*

15 **SEC. 902. USE OF SECTION 8 VOUCHERS FOR OPT-OUTS.**

16 *(a) IN GENERAL.—Section 8(t)(2) of the United States*
 17 *Housing Act of 1937 (42 U.S.C. 1437f(t)(2)), as amended*
 18 *by the Departments of Veterans Affairs and Housing and*
 19 *Urban Development, and Independent Agencies Appropria-*
 20 *tions Act, 2001, is amended by striking “fiscal year 1996”*
 21 *and inserting “fiscal year 1994”.*

22 *(b) EFFECTIVE DATE.—The amendment under sub-*
 23 *section (a) shall be made and shall apply—*

24 *(1) upon the enactment of this Act, if the De-*
 25 *partments of Veterans Affairs and Housing and*

1 (2) *immediately after the enactment of such ap-*
 2 *propriations Act, if such appropriations Act is en-*
 3 *acted after the enactment of this Act.*

4 **SEC. 904. USE OF SECTION 8 ASSISTANCE BY “GRAND-FAMI-**
 5 **LIES” TO RENT DWELLING UNITS IN AS-**
 6 **SISTED PROJECTS.**

7 *Section 215(a) of the Cranston-Gonzalez National Af-*
 8 *fordable Housing Act (42 U.S.C. 12745(a)) is amended by*
 9 *adding at the end the following new paragraph:*

10 “(6) *WAIVER OF QUALIFYING RENT.—*

11 “(A) *IN GENERAL.—For the purpose of pro-*
 12 *viding affordable housing appropriate for fami-*
 13 *lies described in subparagraph (B), the Secretary*
 14 *may, upon the application of the project owner,*
 15 *waive the applicability of subparagraph (A) of*
 16 *paragraph (1) with respect to a dwelling unit*
 17 *if—*

18 “(i) *the unit is occupied by such a*
 19 *family, on whose behalf tenant-based assist-*
 20 *ance is provided under section 8 of the*
 21 *United States Housing Act of 1937 (42*
 22 *U.S.C. 1437f);*

23 “(ii) *the rent for the unit is not greater*
 24 *than the existing fair market rent for com-*
 25 *parable units in the area, as established by*

1 *the Secretary under section 8 of the United*
2 *States Housing Act of 1937; and*

3 “(iii) *the Secretary determines that the*
4 *waiver, together with waivers under this*
5 *paragraph for other dwelling units in the*
6 *project, will result in the use of amounts de-*
7 *scribed in clause (iii) in an effective man-*
8 *ner that will improve the provision of af-*
9 *fordable housing for such families.*

10 “(B) *ELIGIBLE FAMILIES.—A family de-*
11 *scribed in this subparagraph is a family that*
12 *consists of at least one elderly person (who is the*
13 *head of household) and one or more of such per-*
14 *son’s grand children, great grandchildren, great*
15 *nieces, great nephews, or great great grand-*
16 *children (as defined by the Secretary), but does*
17 *not include any parent of such grandchildren,*
18 *great grandchildren, great nieces, great nephews,*
19 *or great great grandchildren. Such term includes*
20 *any such grandchildren, great grandchildren,*
21 *great nieces, great nephews, or great great grand-*
22 *children who have been legally adopted by such*
23 *elderly person.”.*

1 **TITLE X—BANKING AND**
2 **HOUSING AGENCY REPORTS**

3 **SEC. 1001. SHORT TITLE.**

4 *This title may be cited as the “Federal Reporting Act*
5 *of 2000”.*

6 **SEC. 1002. AMENDMENTS TO THE FEDERAL RESERVE ACT.**

7 *(a) REPEAL.—Section 2A of the Federal Reserve Act*
8 *(12 U.S.C. 225a) is amended by striking all after the first*
9 *sentence.*

10 *(b) APPEARANCES BEFORE AND REPORTS TO THE*
11 *CONGRESS.—*

12 *(1) IN GENERAL.—The Federal Reserve Act (12*
13 *U.S.C. 221 et seq.) is amended by inserting after sec-*
14 *tion 2A the following new section:*

15 **“SEC. 2B. APPEARANCES BEFORE AND REPORTS TO THE**
16 **CONGRESS.**

17 **“(a) APPEARANCES BEFORE THE CONGRESS.—**

18 *(1) IN GENERAL.—The Chairman of the Board*
19 *shall appear before the Congress at semi-annual hear-*
20 *ings, as specified in paragraph (2), regarding—*

21 *“(A) the efforts, activities, objectives and*
22 *plans of the Board and the Federal Open Market*
23 *Committee with respect to the conduct of mone-*
24 *tary policy; and*

1 “(B) *economic developments and prospects*
2 *for the future described in the report required in*
3 *subsection (b).*

4 “(2) *SCHEDULE.—The Chairman of the Board*
5 *shall appear—*

6 “(A) *before the Committee on Banking and*
7 *Financial Services of the House of Representa-*
8 *tives on or about February 20 of even numbered*
9 *calendar years and on or about July 20 of odd*
10 *numbered calendar years;*

11 “(B) *before the Committee on Banking,*
12 *Housing, and Urban Affairs of the Senate on or*
13 *about July 20 of even numbered calendar years*
14 *and on or about February 20 of odd numbered*
15 *calendar years; and*

16 “(C) *before either Committee referred to in*
17 *subparagraph (A) or (B), upon request, following*
18 *the scheduled appearance of the Chairman before*
19 *the other Committee under subparagraph (A) or*
20 *(B).*

21 “(b) *CONGRESSIONAL REPORT.—The Board shall, con-*
22 *current with each semi-annual hearing required by this sec-*
23 *tion, submit a written report to the Committee on Banking,*
24 *Housing, and Urban Affairs of the Senate and the Com-*
25 *mittee on Banking and Financial Services of the House of*

1 *Representatives, containing a discussion of the conduct of*
2 *monetary policy and economic developments and prospects*
3 *for the future, taking into account past and prospective de-*
4 *velopments in employment, unemployment, production, in-*
5 *vestment, real income, productivity, exchange rates, inter-*
6 *national trade and payments, and prices.”.*

7 **SEC. 1003. PRESERVATION OF CERTAIN REPORTING RE-**
8 **QUIREMENTS.**

9 *Section 3003(a)(1) of the Federal Reports Elimination*
10 *and Sunset Act of 1995 (31 U.S.C. 1113 note) shall not*
11 *apply to any report required to be submitted under any*
12 *of the following provisions of law:*

13 *(1) Section 3 of the Employment Act of 1946 (15*
14 *U.S.C. 1022).*

15 *(2) Section 309 of the Defense Production Act of*
16 *1950 (50 U.S.C. App. 2099).*

17 *(3) Section 603 of the Public Works and Eco-*
18 *nomic Development Act of 1965 (42 U.S.C. 3213).*

19 *(4) Section 7(o)(1) of the Department of Housing*
20 *and Urban Development Act (42 U.S.C. 3535(o)(1)).*

21 *(5) Section 540(c) of the National Housing Act*
22 *(12 U.S.C. 1735f–18(c)).*

23 *(6) Paragraphs (2) and (6) of section 808(e) of*
24 *the Civil Rights Act of 1968 (42 U.S.C. 3608(e)).*

1 (7) *Section 1061 of the Housing and Community*
2 *Development Act of 1992 (42 U.S.C. 4856).*

3 (8) *Section 203(v) of the National Housing Act*
4 *(12 U.S.C. 1709(v)), as added by section 504 of the*
5 *Housing and Community Development Act of 1992*
6 *(Public Law 102–550; 106 Stat. 3780).*

7 (9) *Section 802 of the Housing Act of 1954 (12*
8 *U.S.C. 1701o).*

9 (10) *Section 8 of the Department of Housing*
10 *and Urban Development Act (42 U.S.C. 3536).*

11 (11) *Section 1320 of the National Flood Insur-*
12 *ance Act of 1968 (42 U.S.C. 4027).*

13 (12) *Section 4(e)(2) of the Department of Hous-*
14 *ing and Urban Development Act (42 U.S.C.*
15 *3533(e)(2).*

16 (13) *Section 205(g) of the National Housing Act*
17 *(12 U.S.C. 1711(g)).*

18 (14) *Section 701(c)(1) of the International Fi-*
19 *nancial Institutions Act (22 U.S.C. 262d(c)(1)).*

20 (15) *Paragraphs (1) and (2) of section 5302(c)*
21 *of title 31, United States Code.*

22 (16) *Section 18(f)(7) of the Federal Trade Com-*
23 *mission Act. (15 U.S.C. 57a(f)(7)).*

24 (17) *Section 333 of the Revised Statutes of the*
25 *United States (12 U.S.C. 14).*

1 (18) *Section 3(g) of the Home Owners' Loan Act*
2 (12 U.S.C. 1462a(g)).

3 (19) *Section 304 of the Appalachian Regional*
4 *Development Act of 1965 (40 U.S.C. App. 304).*

5 (20) *Sections 2(b)(1)(A), 8(a), 8(c), 10(g)(1),*
6 *and 11(c) of the Export-Import Bank Act of 1945 (12*
7 *U.S.C. 635(b)(1)(A), 635g(a), 635g(c), 635i-3(g), and*
8 *635i-5(c)).*

9 (21) *Section 17(a) of the Federal Deposit Insur-*
10 *ance Act (12 U.S.C. 1827(a)).*

11 (22) *Section 13 of the Federal Financing Bank*
12 *Act of 1973 (12 U.S.C. 2292).*

13 (23) *Section 2B(d) of the Federal Home Loan*
14 *Bank Act (12 U.S.C. 1422b(d)).*

15 (24) *Section 1002(b) of Financial Institutions*
16 *Reform, Recovery, and Enforcement Act of 1989 (12*
17 *U.S.C. 1811 note).*

18 (25) *Section 8 of the Fair Credit and Charge*
19 *Card Disclosure Act of 1988 (15 U.S.C. 1637 note).*

20 (26) *Section 136(b)(4)(B) of the Truth in Lend-*
21 *ing Act (15 U.S.C. 1646(b)(4)(B)).*

22 (27) *Section 707 of the Equal Credit Oppor-*
23 *tunity Act (15 U.S.C. 1691f).*

24 (28) *Section 114 of the Truth in Lending Act*
25 *(15 U.S.C. 1613).*

1 (29) *The seventh undesignated paragraph of sec-*
2 *tion 10 of the Federal Reserve Act (12 U.S.C. 247).*

3 (30) *The tenth undesignated paragraph of sec-*
4 *tion 10 of the Federal Reserve Act (12 U.S.C. 247a).*

5 (31) *Section 815 of the Fair Debt Collection*
6 *Practices Act (15 U.S.C. 1692m).*

7 (32) *Section 102(d) of the Federal Credit Union*
8 *Act (12 U.S.C. 1752a(d)).*

9 (33) *Section 21B(i) of the Federal Home Loan*
10 *Bank Act (12 U.S.C. 1441b(i)).*

11 (34) *Section 607(a) of the Housing and Commu-*
12 *nity Development Amendments of 1978 (42 U.S.C.*
13 *8106(a)).*

14 (35) *Section 708(l) of the Defense Production Act*
15 *of 1950 (50 U.S.C. Ap. 2158(l)).*

16 (36) *Section 2546 of the Comprehensive Thrift*
17 *and Bank Fraud Prosecution and Taxpayer Recovery*
18 *Act of 1990 (28 U.S.C. 522 note).*

19 (37) *Section 202(b)(8) of the National Housing*
20 *Act (12 U.S.C. 1708(b)(8)).*

21 **SEC. 1004. COORDINATION OF REPORTING REQUIREMENTS.**

22 (a) *FEDERAL DEPOSIT INSURANCE CORPORATION.—*
23 *Section 17(a) of the Federal Deposit Insurance Act (12*
24 *U.S.C. 1827(a)) is amended by adding at the end the fol-*
25 *lowing new paragraph:*

1 “(3) *COORDINATION WITH OTHER REPORT RE-*
2 *QUIREMENTS.*—*The report required under this sub-*
3 *section shall include the report required under section*
4 *18(f)(7) of the Federal Trade Commission Act.”.*

5 (b) *BOARD OF GOVERNORS OF THE FEDERAL RE-*
6 *SERVE SYSTEM.*—*The 7th undesignated paragraph of sec-*
7 *tion 10 of the Federal Reserve Act (12 U.S.C. 247) is*
8 *amended by adding at the end the following new sentence:*
9 *“The report required under this paragraph shall include the*
10 *reports required under section 707 of the Equal Credit Op-*
11 *portunity Act, section 18(f)(7) of the Federal Trade Com-*
12 *mission Act, section 114 of the Truth in Lending Act, and*
13 *the 10th undesignated paragraph of this section.”.*

14 (c) *COMPTROLLER OF THE CURRENCY.*—*Section 333*
15 *of the Revised Statutes of the United States (12 U.S.C. 14)*
16 *is amended by adding at the end the following new sentence:*
17 *“The report required under this section shall include the*
18 *report required under section 18(f)(7) of the Federal Trade*
19 *Commission Act.”.*

20 (d) *EXPORT-IMPORT BANK.*—

21 (1) *IN GENERAL.*— *Section 2(b)(1)(A) of the Ex-*
22 *port-Import Bank Act of 1945 (12 U.S.C.*
23 *635(b)(1)(A)) is amended—*

24 (A) *by striking “a annual” and inserting*
25 *“an annual”; and*

1 (B) by adding at the end the following new
2 sentence: “The annual report required under this
3 subparagraph shall include the report required
4 under section 10(g).”.

5 (2) *TECHNICAL AND CONFORMING AMEND-*
6 *MENT.*—Section 10(g)(1) of the *Export-Import Bank*
7 *Act of 1945 (12 U.S.C. 635i–3(g)(1))* is amended—

8 (A) by striking “On or” and all that follows
9 through “the Bank” and inserting “The Bank”;
10 and

11 (B) by striking “a report” and inserting
12 “an annual report”.

13 (e) *DEPARTMENT OF HOUSING AND URBAN DEVELOP-*
14 *MENT.*—Section 8 of the *Department of Housing and Urban*
15 *Development Act (42 U.S.C. 3536)* is amended by adding
16 at the end the following new sentence: “The report required
17 under this section shall include the reports required under
18 paragraphs (2) and (6) of section 808(e) of the *Civil Rights*
19 *Act of 1968*, the reports required under subsections (a) and
20 (b) of section 1061 of the *Housing and Community Develop-*
21 *ment Act of 1992*, the report required under section 802
22 of the *Housing Act of 1954*, and the report required under
23 section 4(e)(2) of this Act.”.

24 (f) *FEDERAL HOUSING ADMINISTRATION.*—Section
25 203(v) of the *National Housing Act (12 U.S.C. 1709(v))*,

1 *as added by section 504 of the Housing and Community*
2 *Development Act of 1992, is amended by adding at the end*
3 *the following new sentence:*

4 *“The report required under this subsection shall include the*
5 *report required under section 540(c) and the report required*
6 *under section 205(g).”.*

7 (g) *INTERNATIONAL FINANCIAL INSTITUTIONS ACT.—*
8 *Section 701(c)(1) of the International Financial Institu-*
9 *tions Act (22 U.S.C. 262d(c)(1)) is amended by striking*
10 *“Not later” and all that follows through “quarterly” and*
11 *inserting “The Secretary of the Treasury shall report annu-*
12 *ally”.*

13 **SEC. 1005. ELIMINATION OF CERTAIN REPORTING REQUIRE-**
14 **MENTS.**

15 (a) *EXPORT-IMPORT BANK.—The Export-Import*
16 *Bank Act of 1945 (12 U.S.C. 635 et seq.) is amended—*

17 (1) *in section 2(b)(1)(D)—*

18 (A) *by striking “(i)”;* and

19 (B) *by striking clause (ii);*

20 (2) *in section 2(b)(8), by striking the last sen-*
21 *tence;*

22 (3) *in section 6(b), by striking paragraph (2)*
23 *and redesignating paragraph (3) as paragraph (2);*
24 *and*

1 (4) in section 8, by striking subsections (b) and
2 (d) and redesignating subsections (c) and (e) as sub-
3 sections (b) and (c), respectively.

4 (b) *FEDERAL DEPOSIT INSURANCE CORPORATION*.—
5 Section 17 of the Federal Deposit Insurance Act (12 U.S.C.
6 1827) is amended by striking subsection (h).

7 **TITLE XI—NUMISMATIC COINS**

8 **SEC. 1101. SHORT TITLE.**

9 This title may be cited as the “United States Mint Nu-
10 ismatic Coin Clarification Act of 2000”.

11 **SEC. 1102. CLARIFICATION OF MINT’S AUTHORITY.**

12 (a) *SILVER PROOF COINS*.—Section 5132(a)(2)(B)(i)
13 of title 31, United States Code, is amended by striking
14 “paragraphs (1)” and inserting “paragraphs (2)”.

15 (b) *PLATINUM COINS*.—Section 5112(k) of title 31,
16 United States Code, is amended by striking “bullion” and
17 inserting “platinum bullion coins”.

18 **SEC. 1103. ADDITIONAL REPORT REQUIREMENT.**

19 Section 5134(e)(2) of title 31, United States Code, is
20 amended—

21 (1) in the matter preceding subparagraph (A),
22 by striking “reflect” and inserting “contain”;

23 (2) by striking “and” at the end of subpara-
24 graph (C);

1 (3) by striking the period at the end of subpara-
2 graph (D) and inserting “; and”; and

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

5 “(E) a supplemental schedule detailing—

6 “(i) the costs and expenses for the pro-
7 duction, for the marketing, and for the dis-
8 tribution of each denomination of circu-
9 lating coins produced by the Mint during
10 the fiscal year and the per-unit cost of pro-
11 ducing, of marketing, and of distributing
12 each denomination of such coins; and

13 “(ii) the gross revenue derived from the
14 sales of each such denomination of coins.”.

15 **TITLE XII—FINANCIAL**
16 **REGULATORY RELIEF**

17 **SEC. 1200. SHORT TITLE.**

18 This title may be cited as the “Financial Regulatory
19 Relief and Economic Efficiency Act of 2000”.

1 **Subtitle A—Improving Monetary**
2 **Policy and Financial Institution**
3 **Management Practices**

4 **SEC. 1201. REPEAL OF SAVINGS ASSOCIATION LIQUIDITY**
5 **PROVISION.**

6 (a) *REPEAL OF LIQUIDITY PROVISION.*—Section 6 of
7 the *Home Owners’ Loan Act* (12 U.S.C. 1465) is repealed.

8 (b) *CONFORMING AMENDMENTS.*—

9 (1) *SECTION 5.*—Section 5(c)(1)(M) of the *Home*
10 *Owners’ Loan Act* (12 U.S.C. 1464(c)(1)(M)) is
11 amended to read as follows:

12 “(M) *LIQUIDITY INVESTMENTS.*—Invest-
13 ments (other than equity investments), identified
14 by the Director, for liquidity purposes, including
15 cash, funds on deposit at a Federal reserve bank
16 or a Federal home loan bank, or bankers’ accept-
17 ances.”.

18 (2) *SECTION 10.*—Section 10(m)(4)(B)(iii) of the
19 *Home Owners’ Loan Act* (12 U.S.C.
20 1467a(m)(4)(B)(iii)) is amended by inserting “as in
21 effect on the day before the date of the enactment of
22 the *Financial Regulatory Relief and Economic Effi-*
23 *ciency Act of 2000*, after “*Loan Act*,”.

1 **SEC. 1202. NONCONTROLLING INVESTMENTS BY SAVINGS**
 2 **ASSOCIATION HOLDING COMPANIES.**

3 *Section 10(e)(1)(A)(iii) of the Home Owners' Loan Act*
 4 *(12 U.S.C. 1467a(e)(1)(A)(iii)) is amended—*

5 *(1) by inserting “, except with the prior written*
 6 *approval of the Director,” after “or to retain”; and*

7 *(2) by striking “so acquire or retain” and insert-*
 8 *ing “acquire or retain, and the Director may not au-*
 9 *thorize acquisition or retention of.”.*

10 **SEC. 1203. REPEAL OF DEPOSIT BROKER NOTIFICATION**
 11 **AND RECORDKEEPING REQUIREMENT.**

12 *Section 29A of the Federal Deposit Insurance Act (12*
 13 *U.S.C. 1831f-1) is hereby repealed.*

14 **SEC. 1204. EXPEDITED PROCEDURES FOR CERTAIN REOR-**
 15 **GANIZATIONS.**

16 *The National Bank Consolidation and Merger Act (12*
 17 *U.S.C. 215 et seq.) is amended—*

18 *(1) by redesignating section 5 as section 7; and*

19 *(2) by inserting after section 4 the following new*
 20 *section:*

21 **“SEC. 5. EXPEDITED PROCEDURES FOR CERTAIN REORGA-**
 22 **NIZATIONS.**

23 *“(a) IN GENERAL.—A national banking association*
 24 *may, with the approval of the Comptroller, pursuant to*
 25 *rules and regulations promulgated by the Comptroller, and*
 26 *upon the affirmative vote of the shareholders of such associa-*

1 *tion owning at least two-thirds of its capital stock out-*
2 *standing, reorganize so as to become a subsidiary of a bank*
3 *holding company or of a company that will, upon con-*
4 *summation of such reorganization, become a bank holding*
5 *company.*

6 “(b) *REORGANIZATION PLAN.*—*A reorganization au-*
7 *thorized under subsection (a) shall be carried out in accord-*
8 *ance with a reorganization plan that—*

9 “(1) *specifies the manner in which the reorga-*
10 *nization shall be carried out;*

11 “(2) *is approved by a majority of the entire*
12 *board of directors of the association;*

13 “(3) *specifies—*

14 “(A) *the amount of cash or securities of the*
15 *bank holding company, or both, or other consid-*
16 *eration to be paid to the shareholders of the reor-*
17 *ganizing association in exchange for their shares*
18 *of stock of the association;*

19 “(B) *the date as of which the rights of each*
20 *shareholder to participate in such exchange will*
21 *be determined; and*

22 “(C) *the manner in which the exchange will*
23 *be carried out; and*

24 “(4) *is submitted to the shareholders of the reor-*
25 *ganizing association at a meeting to be held on the*

1 *call of the directors in accordance with the procedures*
2 *prescribed in connection with a merger of a national*
3 *bank under section 3.*

4 “(c) *RIGHTS OF DISSENTING SHAREHOLDERS.—If,*
5 *pursuant to this section, a reorganization plan has been*
6 *approved by the shareholders and the Comptroller, any*
7 *shareholder of the association who has voted against the re-*
8 *organization at the meeting referred to in subsection (b)(4),*
9 *or has given notice in writing at or prior to that meeting*
10 *to the presiding officer that the shareholder dissents from*
11 *the reorganization plan, shall be entitled to receive the value*
12 *of his or her shares, as provided by section 3 for the merger*
13 *of a national bank.*

14 “(d) *EFFECT OF REORGANIZATION.—The corporate ex-*
15 *istence of an association that reorganizes in accordance*
16 *with this section shall not be deemed to have been affected*
17 *in any way by reason of such reorganization.*

18 “(e) *APPROVAL UNDER THE BANK HOLDING COMPANY*
19 *ACT.—This section does not affect in any way the applica-*
20 *bility of the Bank Holding Company Act of 1956 to a trans-*
21 *action described in subsection (a).”.*

22 **SEC. 1205. NATIONAL BANK DIRECTORS.**

23 (a) *AMENDMENTS TO THE REVISED STATUTES.—Sec-*
24 *tion 5145 of the Revised Statutes of the United States (12*
25 *U.S.C. 71) is amended—*

1 “(1) to affect the applicability of section 18(c) of
2 the Federal Deposit Insurance Act; or

3 “(2) to grant a national banking association any
4 power or authority that is not permissible for a na-
5 tional banking association under other applicable
6 provisions of law.

7 “(c) REGULATIONS.—The Comptroller shall promul-
8 gate regulations to implement this section.”.

9 **SEC. 1207. LOANS ON OR PURCHASES BY INSTITUTIONS OF**
10 **THEIR OWN STOCK; AFFILIATIONS.**

11 (a) AMENDMENT TO THE REVISED STATUTES.—Sec-
12 tion 5201 of the Revised Statutes of the United States (12
13 U.S.C. 83) is amended to read as follows:

14 **“SEC. 5201. LOANS BY BANK ON ITS OWN STOCK.**

15 “(a) GENERAL PROHIBITION.—No national banking
16 association shall make any loan or discount on the security
17 of the shares of its own capital stock.

18 “(b) EXCLUSION.—For purposes of this section, an as-
19 sociation shall not be deemed to be making a loan or dis-
20 count on the security of the shares of its own capital stock
21 if it acquires the stock to prevent loss upon a debt previously
22 contracted for in good faith.”.

23 (b) AMENDMENTS TO THE FEDERAL DEPOSIT INSUR-
24 ANCE ACT.—Section 18 of the Federal Deposit Insurance
25 Act (12 U.S.C. 1828) is amended—

1 (1) *by redesignating subsection (t), as added by*
2 *section 730 of the Gramm-Leach-Bliley Act (Public*
3 *Law 106–102; 113 Stat. 1476), as subsection (u); and*

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

6 “(v) *LOANS BY INSURED INSTITUTIONS ON THEIR*
7 *OWN STOCK.—*

8 “(1) *GENERAL PROHIBITION.—No insured depos-*
9 *itory institution may make any loan or discount on*
10 *the security of the shares of its own capital stock.*

11 “(2) *EXCLUSION.—For purposes of this sub-*
12 *section, an insured depository institution shall not be*
13 *deemed to be making a loan or discount on the secu-*
14 *rity of the shares of its own capital stock if it ac-*
15 *quires the stock to prevent loss upon a debt previously*
16 *contracted for in good faith.”.*

17 **SEC. 1208. PURCHASED MORTGAGE SERVICING RIGHTS.**

18 *Section 475 of the Federal Deposit Insurance Corpora-*
19 *tion Improvement Act of 1991 (12 U.S.C. 1828 note) is*
20 *amended—*

21 (1) *in subsection (a)(1), by inserting “(or such*
22 *other percentage exceeding 90 percent but not exceed-*
23 *ing 100 percent, as may be determined under sub-*
24 *section (b))” after “90 percent”;*

1 (1) *work jointly to develop a system under*
2 *which—*

3 (A) *insured depository institutions and*
4 *their affiliates may file such reports and state-*
5 *ments electronically; and*

6 (B) *the Federal banking agencies may make*
7 *such reports and statements available to the pub-*
8 *lic electronically; and*

9 (2) *not later than 1 year after the date of enact-*
10 *ment of this Act, report to the Congress and make rec-*
11 *ommendations for legislation that would enhance effi-*
12 *ciency for filers and users of such reports and state-*
13 *ments.*

14 (b) *UNIFORM REPORTS AND SIMPLIFICATION OF IN-*
15 *STRUCTIONS.—The Federal banking agencies shall, con-*
16 *sistent with the principles of safety and soundness, work*
17 *jointly—*

18 (1) *to adopt a single form for the filing of core*
19 *information required to be submitted under Federal*
20 *law to all such agencies in the reports and statements*
21 *referred to in subsection (a); and*

22 (2) *to simplify instructions accompanying such*
23 *reports and statements and to provide an index to the*
24 *instructions that is adequate to meet the needs of both*
25 *filers and users.*

1 “(C) *RULEMAKING AUTHORITY OF COR-*
 2 *PORATION.—The Corporation may prescribe such*
 3 *rules, including definitions of terms, as it deems*
 4 *appropriate to establish a single uniform interest*
 5 *rate for or to make payments of post insolvency*
 6 *interest to creditors holding proven claims*
 7 *against the receivership estates of insured Fed-*
 8 *eral or State depository institutions following*
 9 *satisfaction by the receiver of the principal*
 10 *amount of all creditor claims.”.*

11 **SEC. 1223. REPEAL OF REPORTING REQUIREMENT ON DIF-**
 12 **FERENCES IN ACCOUNTING STANDARDS.**

13 *Section 37(c) of the Federal Deposit Insurance Act (12*
 14 *U.S.C. 1831n(c)) is amended—*

15 (1) *in paragraph (1), by striking “Each” and all*
 16 *that follows through “a report” and inserting “The*
 17 *Federal banking agencies shall jointly submit an an-*
 18 *nual report”;* and

19 (2) *by inserting “any” before “such agency” each*
 20 *place that term appears.*

21 **SEC. 1224. AGENCY REVIEW OF COMPETITIVE FACTORS IN**
 22 **BANK MERGER ACT FILINGS.**

23 (a) *REPORT REQUIRED.—Section 18(c)(4) of the Fed-*
 24 *eral Deposit Insurance Act (12 U.S.C. 1828(c)(4)) is*
 25 *amended by striking “request reports” and all that follows*

1 *through the period at the end and inserting the following:*
 2 *“request a report on the competitive factors involved from*
 3 *the Attorney General. The report shall be furnished not later*
 4 *than 30 calendar days after the date on which it is re-*
 5 *quested, or not later than 10 calendar days after such date*
 6 *if the requesting agency advises the Attorney General that*
 7 *an emergency exists requiring expeditious action.”.*

8 **(b) TIMING OF TRANSACTION.**—*Section 18(c)(6) of the*
 9 *Federal Deposit Insurance Act (12 U.S.C. 1828(c)(6)) is*
 10 *amended by striking the third sentence and inserting the*
 11 *following: “If the agency has advised the Attorney General*
 12 *of the existence of an emergency requiring expeditious ac-*
 13 *tion and has requested a report on the competitive factors*
 14 *within 10 days, the transaction may not be consummated*
 15 *before the fifth calendar day after the date of approval by*
 16 *the agency.”.*

17 **(c) EVALUATION OF COMPETITIVE EFFECT.**—

18 **(1) AMENDMENTS TO THE BANK HOLDING COM-**
 19 *PANY ACT OF 1956.*—*Section 3(c) of the Bank Holding*
 20 *Company Act of 1956 (12 U.S.C. 1842(c)) is*
 21 *amended—*

22 **(A)** *by adding at the end the following new*
 23 *paragraph:*

24 **“(6) EVALUATION OF COMPETITIVE EFFECT.**—
 25 *The Board may not disapprove of a transaction pur-*

1 *suant to paragraph (1)(B) unless the Board takes*
2 *into account, to the extent that data are readily*
3 *available—*

4 *“(A) competition from institutions, other*
5 *than depository institutions (as defined in sec-*
6 *tion 3 of the Federal Deposit Insurance Act),*
7 *that provide financial services;*

8 *“(B) efficiencies and cost savings that the*
9 *transaction may create;*

10 *“(C) deposits of the participants in the*
11 *transaction that are not derived from the rel-*
12 *evant market;*

13 *“(D) the capacity of savings associations to*
14 *make small business loans;*

15 *“(E) lending by institutions other than de-*
16 *pository institutions to small businesses; and*

17 *“(F) such other factors as the Board deems*
18 *relevant.”; and*

19 *(B) in paragraph (1)(B), by striking “re-*
20 *straint or trade” and inserting “restraint of*
21 *trade”.*

22 *(2) AMENDMENTS TO THE FEDERAL DEPOSIT IN-*
23 *SURANCE ACT.—Section 18(c)(5) of the Federal De-*
24 *posit Insurance Act (12 U.S.C. 1828(c)(5)) is*
25 *amended—*

1 (A) by redesignating subparagraphs (A)
2 and (B) as clauses (i) and (ii), respectively;

3 (B) by inserting “(A)” after “(5)”;

4 (C) by striking “In every case” and insert-
5 ing the following:

6 “(B) In every case under this subsection”; and

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

8 “(C) The responsible agency may not disapprove of a
9 transaction pursuant to subparagraph (A), unless the agen-
10 cy takes into account, to the extent that data are readily
11 available—

12 “(i) competition from institutions that provide
13 financial services;

14 “(ii) efficiencies and cost savings that the trans-
15 action may create;

16 “(iii) deposits of the participants in the trans-
17 action that are not derived from the relevant markets;

18 “(iv) the capacity of the institutions to make
19 small business loans;

20 “(v) lending by institutions other than deposi-
21 tory institutions to small businesses; and

22 “(vi) such other factors as the responsible agency
23 deems relevant.”.

1 ***Subtitle D—Miscellaneous***

2 ***SEC. 1231. FEDERAL RESERVE BOARD BUILDINGS.***

3 *The 3rd undesignated paragraph of section 10 of the*
4 *Federal Reserve Act (12 U.S.C. 243) is amended—*

5 (1) *by inserting after the 1st sentence the fol-*
6 *lowing new sentence: “After September 1, 2000, the*
7 *Board may also use such assessments to acquire, in*
8 *its own name, a site or building (in addition to the*
9 *facilities existing on such date) to provide for the per-*
10 *formance of the functions of the Board.”; and*

11 (2) *in the sentences following the sentence added*
12 *by the amendment made by paragraph (1) of this*
13 *section—*

14 (A) *by striking “the site” and inserting*
15 *“any site”; and*

16 (B) *by inserting “or buildings” after*
17 *“building” each place such term appears.*

18 ***SEC. 1232. POSITIONS OF BOARD OF GOVERNORS OF FED-***
19 ***ERAL RESERVE SYSTEM ON THE EXECUTIVE***
20 ***SCHEDULE.***

21 (a) *IN GENERAL.—*

22 (1) *POSITIONS AT LEVEL I OF THE EXECUTIVE*
23 *SCHEDULE.—Section 5312 of title 5, United States*
24 *Code, is amended by adding at the end the following:*

1 “Chairman, Board of Governors of the Federal
2 Reserve System.”.

3 (2) *POSITIONS AT LEVEL II OF THE EXECUTIVE*
4 *SCHEDULE.—Section 5313 of title 5, United States*
5 *Code, is amended—*

6 (A) *by striking “Chairman, Board of Gov-*
7 *ernors of the Federal Reserve System.”; and*

8 (B) *by adding at the end the following:*

9 “Members, Board of Governors of the Federal Re-
10 serve System.”.

11 (3) *POSITIONS AT LEVEL III OF THE EXECUTIVE*
12 *SCHEDULE.—Section 5314 of title 5, United States*
13 *Code, is amended by striking “Members, Board of*
14 *Governors of the Federal Reserve System.”.*

15 (b) *EFFECTIVE DATE.—This section and the amend-*
16 *ments made by this section shall take effect on the first day*
17 *of the first pay period for the Chairman and Members of*
18 *the Board of Governors of the Federal Reserve System begin-*
19 *ning on or after the date of enactment of this Act.*

20 **SEC. 1233. EXTENSION OF TIME.**

21 Section 6(a)(1) of the Federal Home Loan Bank Act
22 (12 U.S.C. 1426(a)(1)) is amended by striking “1 year”
23 and inserting “18 months”.

1 ***Subtitle E—Technical Corrections***

2 ***SEC. 1241. TECHNICAL CORRECTION RELATING TO DEPOSIT***
 3 ***INSURANCE FUNDS.***

4 (a) *IN GENERAL.*—Section 2707 of the Deposit Insur-
 5 *ance Funds Act of 1996 (Public Law 104–208; 110 Stat.*
 6 *3009–496) is amended—*

7 (1) *by striking “7(b)(2)(C)” and inserting*
 8 *“7(b)(2)(E)”;* and

9 (2) *by striking “, as redesignated by section*
 10 *2704(d)(6) of this subtitle”.*

11 (b) *EFFECTIVE DATE.*—*The amendments made by sub-*
 12 *section (a) shall be deemed to have the same effective date*
 13 *as section 2707 of the Deposit Insurance Funds Act of 1996*
 14 *(Public Law 104–208; 110 Stat. 3009–496).*

15 ***SEC. 1242. RULES FOR CONTINUATION OF DEPOSIT INSUR-***
 16 ***ANCE FOR MEMBER BANKS CONVERTING***
 17 ***CHARTERS.***

18 Section 8(o) of the Federal Deposit Insurance Act (12
 19 *U.S.C. 1818(o)) is amended in the second sentence, by strik-*
 20 *ing “subsection (d) of section 4” and inserting “subsection*
 21 *(c) or (d) of section 4”.*

22 ***SEC. 1243. AMENDMENTS TO THE REVISED STATUTES OF***
 23 ***THE UNITED STATES.***

24 (a) *WAIVER OF CITIZENSHIP REQUIREMENT FOR NA-*
 25 *TIONAL BANK DIRECTORS.*—Section 5146 of the Revised

1 *Statutes of the United States (12 U.S.C. 72) is amended*
2 *in the first sentence, by inserting before the period “, and*
3 *waive the requirement of citizenship in the case of not more*
4 *than a minority of the total number of directors”.*

5 **(b) TECHNICAL AMENDMENT TO THE REVISED STAT-**
6 *UTES.—Section 329 of the Revised Statutes of the United*
7 *States (12 U.S.C. 11) is amended by striking “to be inter-*
8 *ested in any association issuing national currency under*
9 *the laws of the United States” and inserting “to hold an*
10 *interest in any national bank”.*

11 **(c) REPEAL OF UNNECESSARY CAPITAL AND SURPLUS**
12 *REQUIREMENT.—Section 5138 of the Revised Statutes of*
13 *the United States (12 U.S.C. 51) is repealed.*

14 **SEC. 1244. CONFORMING CHANGE TO THE INTERNATIONAL**
15 **BANKING ACT OF 1978.**

16 *Section 4(b) of the International Banking Act of 1978*
17 *(12 U.S.C. 3102(b)) is amended in the second sentence, by*
18 *striking paragraph (1) and by redesignating paragraphs*
19 *(2) through (4) as paragraphs (1) through (3), respectively.*

Amend the title so as to read “An Act to expand homeownership in the United States, and for other purposes.”.

Attest:

Clerk.

106TH CONGRESS
2D SESSION

S. 1452

AMENDMENTS