

1 ~~have been inspected under subclause~~  
2 ~~(II) and determined to meet the hous-~~  
3 ~~ing quality standards under subpara-~~  
4 ~~graph (B).”.~~

## 5 **TITLE V—PROGRAM REFORM**

### 6 **SEC. 501. HOME INVESTMENT PARTNERSHIPS REAUTHOR-** 7 **IZATION AND REFORM ACT.**

8 (a) AUTHORIZATION.—Section 205 of the Cranston-  
9 Gonzalez National Affordable Housing Act (42 U.S.C.  
10 12724) is amended to read as follows:

#### 11 **“SEC. 205. AUTHORIZATION OF PROGRAM.**

12 “The HOME Investment Partnerships Program  
13 under subtitle A is hereby authorized.”.

14 (b) DEFINITION OF COMMUNITY HOUSING DEVELOP-  
15 MENT ORGANIZATION.—Section 104(6)(B) of the Cran-  
16 ston-Gonzalez National Affordable Housing Act (42  
17 U.S.C. 12704(6)(B)) is amended by striking “significant”.

18 (c) ASSISTANCE FOR LOW-INCOME FAMILIES.—Title  
19 II of the Cranston-Gonzalez National Affordable Housing  
20 Act (42 U.S.C. 12721 et seq.) is amended—

21 (1) in section 214(2) (42 U.S.C. 12742(2)), by  
22 striking “households that qualify as low-income fam-  
23 ilies” and inserting “families with a household in-  
24 come that does not exceed 100 percent of the me-

1       dian family income of the area, as determined by the  
2       Secretary”; and

3               (2) in section 271(c) (42 U.S.C. 12821(c))—

4                       (A) in paragraph (1)(B), by striking “low-  
5                       income” and inserting “families with a house-  
6                       hold income that does not exceed 100 percent  
7                       of the median family income of the area as de-  
8                       termined by the Secretary with adjustments for  
9                       smaller and larger families”; and

10                      (B) in paragraph (2)(A), by striking “low-  
11                      income families” and inserting “families with a  
12                      household income that does not exceed 100 per-  
13                      cent of the median family income of the area as  
14                      determined by the Secretary with adjustments  
15                      for smaller and larger families”.

16       (d) CHOICES MADE BY PARTICIPATING JURISDIC-  
17       TIONS.—Section 212(a)(2) of the Cranston-Gonzalez Na-  
18       tional Affordable Housing Act (42 U.S.C. 12742(a)(2)) is  
19       amended to read as follows:

20               “(2) LIMITATION.—The Secretary may not re-  
21               strict the choice by a participating jurisdiction of re-  
22               habilitation, substantial rehabilitation, new construc-  
23               tion, reconstruction, acquisition, or other eligible  
24               housing uses authorized in paragraph (1) unless the

1 restriction is explicitly authorized under section  
2 223(2).”.

3 (e) USE OF AMOUNTS BY CERTAIN JURISDICTIONS  
4 FOR INFRASTRUCTURE IMPROVEMENTS.—

5 (1) IN GENERAL.—Section 212(a) of the Cran-  
6 ston-Gonzalez National Affordable Housing Act (42  
7 U.S.C. 12742(a)) is amended by inserting after  
8 paragraph (3) the following:

9 “(4) INFRASTRUCTURE IMPROVEMENTS IN  
10 NONENTITLEMENT AREAS.—

11 “(A) IN GENERAL.—A participating jurisdic-  
12 tion may use funds provided under this sub-  
13 title for infrastructure improvements, including  
14 the installation or repair of water and sewer  
15 lines, sidewalks, roads, and utility connections  
16 if—

17 “(i) such participating jurisdiction  
18 does not receive assistance under title I of  
19 the Housing and Community Development  
20 Act of 1974 (42 U.S.C. 5310); and

21 “(ii) such improvements are directly  
22 related to, and located within or imme-  
23 diately adjacent to—

24 “(I) housing assisted under this  
25 subtitle; or

1                   “(II) housing assisted under sec-  
2                   tion 42 of the Internal Revenue Code  
3                   of 1986.

4                   “(B) APPLICATION OF LABOR STAND-  
5                   ARDS.—The labor standards and requirements  
6                   set forth in section 110 of the Housing and  
7                   Community Development Act of 1974 (42  
8                   U.S.C. 5310) shall apply to any infrastructure  
9                   improvement conducted using funds provided  
10                  under this subtitle.

11                  “(C) RULE OF CONSTRUCTION.—Nothing  
12                  in this paragraph may be construed to impose  
13                  any requirements of the HOME Investment  
14                  Partnerships program on housing that benefits  
15                  from an infrastructure improvement conducted  
16                  using funds provided under this subtitle but  
17                  was not otherwise assisted under the HOME  
18                  Investment Partnerships program.”.

19                  (2) RULEMAKING.—Not later than 1 year after  
20                  the date of enactment of this Act, the Secretary of  
21                  Housing and Urban Development shall issue rules to  
22                  carry out the amendment made by paragraph (1).

23                  (f) PER UNIT INVESTMENT LIMITATIONS.—Section  
24                  212(e)(1) of the Cranston-Gonzalez National Affordable

1 Housing Act (42 U.S.C. 12742(e)(1)) is amended by strik-  
2 ing the second sentence.

3 (g) AFFORDABLE RENTAL HOUSING QUALIFICA-  
4 TIONS.—Section 215(a) of the Cranston-Gonzalez Na-  
5 tional Affordable Housing Act (42 U.S.C. 12745(a)) is  
6 amended by adding at the end the following:

7 “(7) QUALIFICATION EXCEPTION.—Notwith-  
8 standing paragraph (1)(A), a rental unit shall be  
9 considered to qualify as affordable housing under  
10 this title if—

11 “(A) the unit is occupied by a tenant re-  
12 ceiving tenant-based rental assistance under  
13 section 8 of the United States Housing Act of  
14 1937 (42 U.S.C. 1437f);

15 “(B) the contribution of the tenant toward  
16 rent does not exceed the amount permitted  
17 under the assistance described in subparagraph  
18 (A); and

19 “(C) the total rent for the unit does not  
20 exceed the amount approved by the public hous-  
21 ing agency administering the assistance de-  
22 scribed in subparagraph (A).”.

23 (h) AFFORDABLE HOME-OWNERSHIP HOUSING  
24 QUALIFICATIONS.—Section 215 of the Cranston-Gonzalez

1 National Affordable Housing Act (42 U.S.C. 12745) is  
2 amended—

3 (1) in subsection (b)—

4 (A) in paragraph (2), by redesignating  
5 subparagraphs (A), (B), and (C) as clauses (i),  
6 (ii), and (iii), respectively, and adjusting the  
7 margins accordingly;

8 (B) in paragraph (3)—

9 (i) in subparagraph (A), by redesignating  
10 clauses (i) and (ii) as subclauses (I)  
11 and (II), respectively, and adjusting the  
12 margins accordingly; and

13 (ii) by redesignating subparagraphs  
14 (A) and (B) as clauses (i) and (ii), respec-  
15 tively, and adjusting the margins accord-  
16 ingly;

17 (C) by redesignating paragraphs (1)  
18 through (4) as subparagraphs (A) through (D),  
19 respectively, and adjusting the margins accord-  
20 ingly;

21 (D) by striking “Housing that is for home-  
22 ownership” and inserting the following:

23 “(1) QUALIFICATION.—Housing that is for  
24 home-ownership”;

25 (E) in paragraph (1), as so designated—

1 (i) in subparagraph (A), as so redesignated—  
2 nated—

3 (I) by striking “95 percent” and  
4 inserting “110 percent”; and

5 (II) by inserting “(defined as the  
6 amount borrowed by the homebuyer to  
7 purchase the home, or the estimated  
8 value after rehabilitation, which may  
9 be adjusted to account for the limits  
10 on future value imposed by the resale  
11 restriction)” after “purchase price”;

12 (ii) in subparagraph (B), as so redesignated, in the matter preceding clause (i),  
13 by striking “whose family qualifies as a  
14 low-income family” and inserting “with a  
15 family income that does not exceed 100  
16 percent of the median family income of the  
17 area as determined by the Secretary with  
18 adjustments for smaller and larger families”;

19 (iii) in subparagraph (C), as so redesignated—  
20 nated—

21 (I) in clause (i)(II)—

22 (aa) by striking “low-income  
23 home-buyers” and inserting  
24  
25

1 “home-buyers with a household  
2 income that does not exceed 100  
3 percent of the median family in-  
4 come of the area, as determined  
5 by the Secretary with adjust-  
6 ments for smaller and larger  
7 families”; and

8 (bb) by striking “or” at the  
9 end;

10 (II) in clause (ii), by striking  
11 “and” at the end and inserting “or”;  
12 and

13 (III) by adding at the end the  
14 following:

15 “(iii) maintain long-term affordability  
16 through a shared equity ownership model,  
17 a community land trust, a limited equity  
18 cooperative, a community development cor-  
19 poration, or other mechanism approved by  
20 the Secretary, that preserves affordability  
21 for future eligible home-buyers and ensures  
22 compliance with the purposes of this title,  
23 including through the use of purchase op-  
24 tions, rights of first refusal, or other pre-  
25 emptive rights to purchase housing;”;

1 (iv) in subparagraph (D), as so reded-  
2 igned, by striking the period at the end  
3 and inserting “; and”; and

4 (v) by adding at the end the following:

5 “(E) is subject to restrictions that are es-  
6 tablished by the participating jurisdiction and  
7 determined by the Secretary to be appropriate,  
8 including with respect to the useful life of the  
9 property, to—

10 “(i) require that any subsequent pur-  
11 chase of the property be—

12 “(I) only by a person who meets  
13 the qualifications specified under sub-  
14 paragraph (B); and

15 “(II) at a price that is deter-  
16 mined by a formula or method estab-  
17 lished by the participating jurisdiction  
18 that provides the owner with a reason-  
19 able return on investment, which may  
20 include a percentage of the cost of  
21 any improvements; or

22 “(ii) recapture the investment pro-  
23 vided under this title in order to assist  
24 other persons in accordance with the re-  
25 quirements of this title, except where there

1           are no net proceeds or where the net pro-  
2           ceeds are insufficient to repay the full  
3           amount of the assistance.”; and

4           (F) by adding at the end the following:

5           “(2) PURCHASE BY COMMUNITY LAND TRUST  
6           OR COOPERATIVE HOUSING CORPORATION.—Not-  
7           withstanding subparagraph (C)(i) of paragraph (1)  
8           and under terms determined by the Secretary, the  
9           Secretary may permit a participating jurisdiction to  
10          allow a community land trust, housing cooperative,  
11          or a community development corporation that used  
12          assistance provided under this subtitle for the devel-  
13          opment of housing that meets the criteria under  
14          paragraph (1), to acquire the housing—

15               “(A) in accordance with the terms of the  
16               preemptive purchase option, lease, covenant on  
17               the land, or other similar legal instrument of  
18               the community land trust or housing coopera-  
19               tive when the terms and rights in the preemp-  
20               tive purchase option, lease, covenant, or legal  
21               instrument are and remain subject to the re-  
22               quirements of this title;

23               “(B) when the purchase is for—

24                       “(i) the purpose of—

1                   “(I) entering into the chain of  
2                   title;

3                   “(II) enabling a purchase by a  
4                   person who meets the qualifications  
5                   specified under paragraph (1)(B) and  
6                   is on a waitlist maintained by the  
7                   community land trust or housing co-  
8                   operative, subject to enforcement by  
9                   the participating jurisdiction of all ap-  
10                  plicable requirements of this title, as  
11                  determined by the Secretary;

12                  “(III) performing necessary reha-  
13                  bilitation and improvements; or

14                  “(IV) adding a subsidy to pre-  
15                  serve affordability, which may be from  
16                  Federal or non-Federal sources; or

17                  “(ii) another purpose determined ap-  
18                  propriate by the Secretary; and

19                  “(C) if, within a reasonable period of time  
20                  after the applicable purpose under subpara-  
21                  graph (B) of this paragraph is fulfilled, as de-  
22                  termined by the Secretary, the housing is then  
23                  sold to a person who meets the qualifications  
24                  specified under paragraph (1)(B).”; and

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

1           “(c) QUALIFICATION EXCEPTIONS FOR HOME-OWN-  
2   ERSHIP.—

3           “(1) MILITARY MEMBERS.—A participating ju-  
4   risdiction, in accordance with terms established by  
5   the Secretary, may suspend or waive the income  
6   qualifications described in subsection (b)(1)(B) with  
7   respect to housing that otherwise meets the criteria  
8   described in subsection (b)(1) if the owner of the  
9   housing—

10           “(A) is a member of a regular component  
11           of the armed forces or a member of the Na-  
12           tional Guard on full-time National Guard duty,  
13           active Guard and Reserve duty, or inactive-duty  
14           training (as those terms are defined in section  
15           101 of title 10, United States Code); and

16           “(B) has received—

17           “(i) temporary duty orders to deploy  
18           with a military unit or military orders to  
19           deploy as an individual acting in support of  
20           a military operation, to a location that is  
21           not within a reasonable distance from the  
22           housing, as determined by the Secretary,  
23           for a period of not less than 90 days; or

24           “(ii) orders for a permanent change of  
25           station.

1           “(2) HEIRS AND BENEFICIARIES OF DECEASED  
2 OWNERS.—Housing that meets the criteria described  
3 in subsection (b)(1)(C) prior to the death of an  
4 owner of such housing shall continue to qualify as  
5 affordable housing under this title if—

6           “(A) the housing is the principal residence  
7 of an heir or beneficiary of the deceased owner,  
8 as defined by the Secretary; and

9           “(B) the heir or beneficiary, in accordance  
10 with terms established by the Secretary, as-  
11 sumes the duties and obligations of the de-  
12 ceased owner with respect to funds provided  
13 under this title.”.

14       (i) ELIMINATION OF EXPIRATION OF RIGHT TO  
15 DRAW HOME INVESTMENT TRUST FUNDS.—Section 218  
16 of the Cranston-Gonzalez National Affordable Housing  
17 Act (42 U.S.C. 12748) is amended—

18           (1) by striking subsection (g); and

19           (2) by redesignating subsection (h) as sub-  
20 section (g).

21       (j) ADJUSTED RECAPTURE AND REUSE OF SET-  
22 ASIDE FOR COMMUNITY HOUSING DEVELOPMENTAL OR-  
23 GANIZATIONS.—Section 231(b) of the Cranston-Gonzalez  
24 National Affordable Housing Act (42 U.S.C. 12771(b)) is  
25 amended to read as follows:

1       “(b) RECAPTURE AND REUSE.—If any funds re-  
2 served under subsection (a) remain uninvested for a period  
3 of 24 months, the Secretary shall make such funds avail-  
4 able to the participating jurisdiction for any eligible activi-  
5 ties under this title without regard to whether a commu-  
6 nity housing development organization materially partici-  
7 pates in the use of such funds.”.

8       (k) ASSET RECYCLING INFORMATION DISSEMINA-  
9 TION EXPANSION.—Section 245(b)(2) of the Cranston-  
10 Gonzalez National Affordable Housing Act (42 U.S.C.  
11 12785(b)(2)) is amended by striking “95 percent” and in-  
12 serting “110 percent”.

13       (l) ENVIRONMENTAL REVIEW REQUIREMENTS.—

14             (1) IN GENERAL.—Section 288 of the Cran-  
15 ston-Gonzalez National Affordable Housing Act (42  
16 U.S.C. 12838) is amended by adding at the end the  
17 following:

18       “(e) CATEGORICAL EXEMPTIONS.—The following  
19 categories of activities carried out under this title shall  
20 be statutorily exempt from environmental review under the  
21 National Environmental Policy Act of 1969 (42 U.S.C.  
22 4321 et seq.), and shall not require further review under  
23 such Act:

24             “(1) New construction infill housing projects.

1           “(2) Acquisition of real property for affordable  
2 housing purposes.

3           “(3) Rehabilitation projects carried out pursu-  
4 ant to section 212(a)(1).

5           “(4) New construction projects of 15 units or  
6 less.

7           “(f) REMOVING DUPLICATIVE REVIEWS.—

8           “(1) IN GENERAL.—To the extent practicable  
9 and permitted by law, the Secretary shall ensure  
10 that a project that has undergone an environmental  
11 review under this section shall not be subject to a  
12 duplicative environmental review solely due to the  
13 addition, substitution, or reallocation of other  
14 sources of Federal assistance, if the scope, scale, and  
15 location of the project remain substantially un-  
16 changed.

17           “(2) COORDINATION OF ENVIRONMENTAL RE-  
18 VIEW RESPONSIBILITIES.—The Secretary shall, by  
19 regulation, provide for coordination of environmental  
20 review responsibilities with other Federal agencies to  
21 streamline interagency compliance and avoid unnec-  
22 essary duplication of effort under the National Envi-  
23 ronmental Policy Act of 1969 (42 U.S.C. 4321 et  
24 seq.) and other applicable laws.

1           “(3) RECOGNITION OF PRIOR REVIEWS BY RE-  
2           SPONSIBLE ENTITIES.—A project may not be subject  
3           to an environmental review under this section if a  
4           substantially similar review has already been com-  
5           pleted by an entity designated under section  
6           104(g)(1) of the Housing and Community Develop-  
7           ment Act of 1974 (42 U.S.C. 5304(g)(1)) or by an-  
8           other entity the Secretary determines to have equiv-  
9           alent authority, if the scope, scale, and location of  
10          the project remain substantially unchanged.”.

11          (2) RULEMAKING.—Not later than 1 year after  
12          the date of the enactment of this Act, the Secretary  
13          shall issue such rules as the Secretary determines  
14          necessary to carry out the amendment made by this  
15          subsection.

16          (3) APPLICABILITY.—Any activity generated  
17          under this subsection would be subject to an author-  
18          ization of appropriations.

19          (4) DEFINITION.—Section 104 of the Cranston-  
20          Gonzalez National Affordable Housing Act (42  
21          U.S.C. 12704) is amended by striking paragraph  
22          (25) and inserting the following:

23                 “(25) The term ‘infill housing project’ means a  
24                 residential housing project that—

1           “(A) is located within the geographic limits  
2           of a municipality;

3           “(B) is adequately served by existing utili-  
4           ties and public services as required under appli-  
5           cable law;

6           “(C) is located on a site of previously dis-  
7           turbed land of not more than 5 acres; and

8           “(D) is substantially surrounded by resi-  
9           dential or commercial development, as deter-  
10          mined by the Secretary.”.

11          (m) APPLICATION OF BUILD AMERICA, BUY AMER-  
12          ICA REQUIREMENTS FOR HOME INVESTMENT PARTNER-  
13          SHIPS PROGRAM.—

14           (1) IN GENERAL.—Not later than 180 days  
15          after the date of enactment of this Act, the Sec-  
16          retary of Housing and Urban Development (in this  
17          subsection referred to as the “Secretary”) shall com-  
18          plete a review of the implementation of the Build  
19          America, Buy America Act (title IV of division G of  
20          Public Law 117–58; 42 U.S.C. 8301 note) with re-  
21          spect to the activities assisted under title II of the  
22          Cranston-Gonzalez National Affordable Housing Act  
23          (42 U.S.C. 12721 et seq.).

24           (2) UPDATED GUIDANCE.—Not later than 90  
25          days after the review described in subsection (a) is

1 completed, the Secretary shall issue updated guid-  
2 ance to clarify the application of the Build America,  
3 Buy America Act (title IV of division G of Public  
4 Law 117–58; 42 U.S.C. 8301 note) with respect to  
5 the activities assisted under title II of the Cranston-  
6 Gonzalez National Affordable Housing Act (42  
7 U.S.C. 12721 et seq.).

8 (3) REPORT.—Not later than 270 days after  
9 the date of enactment of this Act, the Secretary  
10 shall submit to the Committee on Financial Services  
11 of the House of Representatives and the Committee  
12 on Banking, Housing, and Urban Affairs of the Sen-  
13 ate a report that describes—

14 (A) the results of the review required  
15 under subsection (a); and

16 (B) the guidance issued as described in  
17 subsection (b).

18 (n) APPLICATION OF OTHER SPECIFIED STATUTORY  
19 REQUIREMENTS.—Title II of the Cranston-Gonzalez Na-  
20 tional Affordable Housing Act (42 U.S.C. 12721 et seq.)  
21 is amended by adding at the end the following:

22 **“SEC. 291. NONAPPLICABILITY OF CERTAIN REQUIRE-**  
23 **MENTS FOR SMALL PROJECTS.**

24 “Notwithstanding any other provision of law, the re-  
25 quirements of section 3 of the Housing and Urban Devel-

1 opment Act of 1968 (12 U.S.C. 1701u), and any imple-  
2 menting regulations or guidance, shall not apply to an ac-  
3 tivity assisted under this title that involves rehabilitation,  
4 construction, or other development of housing if—

5 “(1) the recipient of assistance under this title  
6 is—

7 “(A) a State recipient pursuant to section  
8 216; or

9 “(B) a participating jurisdiction that re-  
10 ceived a total allocation of less than \$3,000,000  
11 in the most recent fiscal year pursuant to sec-  
12 tion 216; and

13 “(2) the total number of dwelling units assisted  
14 as a part of such activity is not more than 50.”.

15 (o) REALLOCATION NOT AVAILABLE FOR CERTAIN  
16 JURISDICTIONS.—Section 217(d) of the Cranston-Gon-  
17 zalez National Affordable Housing Act (42 U.S.C.  
18 12747(d)) is amended—

19 (1) in paragraph (1), by striking the second  
20 sentence and inserting the following: “Subject to  
21 paragraph (4), jurisdictions eligible for such re-  
22 allocations shall include participating jurisdictions  
23 and jurisdictions meeting the requirements of this  
24 title, including the requirements in paragraphs (3),  
25 (4), and (5) of section 216.”; and

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

2 “(4) REALLOCATION NOT AVAILABLE FOR CER-  
3 TAIN JURISDICTIONS.—The Secretary may decline to  
4 make a reallocation available to a jurisdiction eligible  
5 for such reallocation if such jurisdiction has failed to  
6 meet or comply with any requirement under this  
7 title.”.

8 (p) AMENDMENTS TO QUALIFICATION AS AFFORD-  
9 ABLE HOUSING.—Section 215(a)(1)(E) of the Cranston-  
10 Gonzalez National Affordable Housing Act (42 U.S.C.  
11 12745(a)) is amended by striking “except upon a fore-  
12 closure by a lender (or upon other transfer in lieu of fore-  
13 closure) if such action (i) recognizes any contractual or  
14 legal rights of public agencies, nonprofit sponsors, or oth-  
15 ers to take actions that would avoid termination of low-  
16 income affordability in the case of foreclosure or transfer  
17 in lieu of foreclosure, and (ii) is not for the purpose of  
18 avoiding low-income affordability restrictions, as deter-  
19 mined by the Secretary; and” and inserting the following:  
20 “except—

21 “(i) upon a foreclosure by a lender (or  
22 upon other transfer in lieu of foreclosure)  
23 if such action—

24 “(I) recognizes any contractual  
25 or legal rights of public agencies, non-

1 profit sponsors, or others to take ac-  
2 tions that would avoid termination of  
3 low-income affordability in the case of  
4 foreclosure or transfer in lieu of fore-  
5 closure; and

6 “(II) is not for the purpose of  
7 avoiding low-income affordability re-  
8 strictions, as determined by the Sec-  
9 retary; or

10 “(ii) where existing affordable housing  
11 is no longer financially viable due to un-  
12 foreseen acts or occurrences beyond the  
13 reasonable contemplation or control of the  
14 participating jurisdiction in which the af-  
15 fordable housing is located or the owner of  
16 the affordable housing that significantly  
17 impact the financial or physical condition  
18 of the affordable housing, as determined by  
19 the Secretary; and”.

20 (q) TENANT AND PARTICIPANT PROTECTIONS FOR  
21 AFFORDABLE HOUSING.—Section 225 of the Cranston-  
22 Gonzalez National Affordable Housing Act (42 U.S.C.  
23 12755) is amended by adding at the end the following:

1       “(e) EXCEPTION.—Paragraphs (2), (3), and (4) of  
2 subsection (d) shall not apply to housing under this sec-  
3 tion that meets the following criteria:

4           “(1) The housing is affordable housing with not  
5 more than 4 dwelling units, each of which is made  
6 available for rental.

7           “(2) Each dwelling unit in the housing bears  
8 rent in an amount that complies with the require-  
9 ments described in paragraph (1)(A).

10          “(3) Each dwelling unit in the housing is ac-  
11 companied by a low-income family.

12          “(4) No dwelling in the housing is refused for  
13 leasing to a holder of a voucher under section 8 of  
14 the United States Housing Act of 1937 (42 U.S.C.  
15 1437f) because of the status of the prospective ten-  
16 ant as a holder of that voucher.

17          “(5) The housing complies with the requirement  
18 described in paragraph (1)(E).

19          “(6) The participating jurisdiction in which the  
20 housing is located monitors the compliance of the  
21 housing with the requirements of this title in a man-  
22 ner consistent with the purposes of section 226(b),  
23 as determined by the Secretary.”.

24       (f) REVISION OF DEFINITION OF COMMUNITY LAND  
25 TRUST.—Section 104 of the Cranston-Gonzalez National

1 Affordable Housing Act (42 U.S.C. 12704), as amended  
2 by subsection (l)(4), is amended by adding at the end the  
3 following:

4           “(26) The term ‘community land trust’ means  
5 a nonprofit entity, a State, a unit of local govern-  
6 ment, or an instrumentality of a State or unit of  
7 local government that—

8                   “(A) is not managed by, or an affiliate of,  
9 a for profit organization;

10                   “(B) has as a primary purpose of acquir-  
11 ing, developing, or holding land to provide hous-  
12 ing that is permanently affordable to low- and  
13 moderate-income persons;

14                   “(C) monitors properties to ensure afford-  
15 ability is preserved;

16                   “(D) provides housing that is permanently  
17 affordable to low- and moderate-income persons  
18 using a ground lease, deed covenant, or other  
19 similar legally enforceable measure, determined  
20 acceptable by the Secretary, that—

21                           “(i) keeps housing affordable to low-  
22 and moderate-income persons for not less  
23 than 30 years; and

1                   “(ii) enables low- and moderate-in-  
2                   come persons to rent or purchase the hous-  
3                   ing for home-ownership; and

4                   “(E) maintains preemptive purchase op-  
5                   tions to purchase the property if such purchase  
6                   would allow the housing to remain affordable to  
7                   low-and moderate-income persons.”.

8           (s) SET-ASIDE FOR COMMUNITY HOUSING DEVELOP-  
9   MENT ORGANIZATIONS.—Section 231(a) of the Cranston-  
10   Gonzalez National Affordable Housing Act (42 U.S.C.  
11   12771(a)) is amended, in the first sentence, by striking  
12   “to be developed, sponsored, or owned by community hous-  
13   ing development organizations” and inserting “when a  
14   community housing development organization materially  
15   participates in the ownership or development of that hous-  
16   ing, as determined by the Secretary”.

17           (t) ADMINISTRATIVE REFORMS.—

18                   (1) INCREASE IN PROGRAM ADMINISTRATION  
19   RESOURCES.—Section 220(b) of the Cranston-Gon-  
20   zalez National Affordable Housing Act (42 U.S.C.  
21   12750(b)) is amended—

22                           (A) by striking paragraph (2);

23                           (B) by striking “RECOGNITION.—” and all  
24   that follows through “A contribution” and in-  
25   serting “RECOGNITION.—A contribution”; and

1 (C) by redesignating subparagraphs (A)  
2 and (B) as paragraphs (1) and (2), respectively,  
3 and adjusting the margins accordingly.

4 (2) MODIFICATION OF JURISDICTIONS ELIGIBLE  
5 FOR REALLOCATIONS.—Section 217(d)(3) of the  
6 Cranston-Gonzalez National Affordable Housing Act  
7 (42 U.S.C. 12747(d)(3)) is amended—

8 (A) in the paragraph heading, by striking  
9 “LIMITATION” and inserting “LIMITATIONS”;  
10 and

11 (B) by striking “Unless otherwise speci-  
12 fied” and inserting the following:

13 “(A) REMOVAL OF PARTICIPATING JURIS-  
14 DICTIONS FROM REALLOCATION.—The Sec-  
15 retary may, upon a finding that the partici-  
16 pating jurisdiction has failed to meet or comply  
17 with the requirements of this title, remove a  
18 participating jurisdiction from participation in  
19 reallocations of funds made available under this  
20 title.

21 “(B) REALLOCATION TO SAME TYPE OF  
22 ENTITY.—Unless otherwise specified”.

23 (3) HOME PROPERTY INSPECTIONS.—Section  
24 226(b) of the Cranston-Gonzalez National Afford-

1       able Housing Act (42 U.S.C. 12756(b)) is amend-  
2       ed—

3               (A) by striking “Each participating juris-  
4       diction” and inserting the following:

5               “(1) IN GENERAL.—Each participating jurisdic-  
6       tion”; and

7               (B) by striking “Such review shall include”  
8       and all that follows and inserting the following:

9               “(2) ONSITE INSPECTIONS.—

10              “(A) INSPECTIONS BY UNITS OF GENERAL  
11       LOCAL GOVERNMENT.—A review conducted  
12       under paragraph (1) by a participating jurisdic-  
13       tion that is a unit of general local government  
14       shall include an onsite inspection to determine  
15       compliance with housing codes and other appli-  
16       cable regulations.

17              “(B) INSPECTIONS BY STATES.—A review  
18       conducted under paragraph (1) by a partici-  
19       pating jurisdiction that is a State shall include  
20       an onsite inspection to determine compliance  
21       with a national standard as determined by the  
22       Secretary.

23              “(3) INCLUSION IN PERFORMANCE REPORT AND  
24       PUBLICATION.—A participating jurisdiction shall in-  
25       clude in the performance report of the participating

1 jurisdiction submitted to the Secretary under section  
2 108(a), and make available to the public, the results  
3 of each review conducted under paragraph (1).”.

4 (4) REVISIONS TO STRENGTHEN ENFORCEMENT  
5 AND PENALTIES FOR NONCOMPLIANCE.—Section  
6 223 of the Cranston-Gonzalez National Affordable  
7 Housing Act (42 U.S.C. 12753) is amended—

8 (A) in the section heading, by striking  
9 “**PENALTIES FOR MISUSE OF FUNDS**” and  
10 inserting “**PROGRAM ENFORCEMENT AND**  
11 **PENALTIES FOR NONCOMPLIANCE**”;

12 (B) in the matter preceding paragraph (1),  
13 by inserting after “any provision of this sub-  
14 title” the following: “, including any provision  
15 applicable throughout the period required by  
16 section 215(a)(1)(E) and applicable regula-  
17 tions,”;

18 (C) in paragraph (2), by striking “or” at  
19 the end;

20 (D) in paragraph (3), by striking the pe-  
21 riod at the end and inserting “; or”; and

22 (E) by adding at the end the following:

23 “(4) reduce payments to the participating juris-  
24 diction under this subtitle by an amount equal to the  
25 amount of such payments that were not expended by

1 the participating jurisdiction in accordance with this  
2 title.”.

3 (u) MINIMUM ALLOCATIONS.—Section 217(b) of the  
4 Cranston-Gonzalez National Affordable Housing Act (42  
5 U.S.C. 12747 (b)) is amended—

6 (1) in paragraph (2), by striking “\$500,000”  
7 each place that term appears and inserting  
8 “\$750,000”;

9 (2) in paragraph (3)—

10 (A) by striking “jurisdictions that are allo-  
11 cated an amount of \$500,000 or more” and in-  
12 serting “jurisdictions that are allocated an  
13 amount of \$750,000 or more”;

14 (B) by striking “that are allocated an  
15 amount less than \$500,000” and inserting  
16 “that are allocated an amount less than  
17 \$500,000 before the date of enactment of the  
18 21st Century ROAD to Housing Act or less  
19 than \$750,000 on or after the date of enact-  
20 ment of the 21st Century ROAD to Housing  
21 Act”; and

22 (C) by striking “, except as provided in  
23 paragraph (4)”; and

24 (3) by striking paragraph (4).

1 (v) TECHNICAL AND CONFORMING AMENDMENTS.—

2 The Cranston-Gonzalez National Affordable Housing Act

3 (42 U.S.C. 12701 et seq.) is amended—

4 (1) by striking “Stewart B. McKinney Home-

5 less Assistance Act” each place that term appears

6 and inserting “McKinney-Vento Homeless Assist-

7 ance Act”;

8 (2) by striking “Committee on Banking, Fi-

9 nance and Urban Affairs” each place that term ap-

10 pears and inserting “Committee on Financial Serv-

11 ices”;

12 (3) in the table of contents in section 1(b)

13 (Public Law 101–625; 104 Stat. 4079)—

14 (A) by striking the item relating to section

15 205 and inserting the following:

“Sec. 205. Authorization of program.”;

16 (B) by striking the item relating to section

17 223 and inserting the following:

“Sec. 223. Program enforcement and penalties for noncompliance.”; and

18 (C) by inserting after the item relating to

19 section 290 the following:

“Sec. 291. Nonapplicability of certain requirements for small projects.”;

20 (4) in section 104 (42 U.S.C. 12704)—

21 (A) by redesignating paragraph (23) (re-

22 lating to the definition of the term “to dem-

1           onstrate to the Secretary”) as paragraph (22);  
2           and

3                   (B) by redesignating paragraph (24) (re-  
4           lating to the definition of the term “insular  
5           area”, as added by section 2(2) of Public Law  
6           102–230) as paragraph (23);

7           (5) in section 105(b)(8) (42 U.S.C.  
8           12705(b)(8)), by striking “subparagraphs” and in-  
9           serting “paragraphs”;

10           (6) in section 108(a)(1) (42 U.S.C.  
11           12708(a)(1)), by striking “section 105(b)(15)” and  
12           inserting “section 105(b)(18)”;

13           (7) in section 212 (42 U.S.C. 12742)—

14                   (A) in subsection (a)(3)(A)(ii), by inserting  
15           “United States” before “Housing Act”;

16                   (B) in subsection (d)(5), by inserting  
17           “United States” before “Housing Act”; and

18                   (C) in subsection (e)(1)—

19                           (i) by striking “section 221(d)(3)(ii)”  
20           and inserting “section 221(d)(4)”; and

21                           (ii) by striking “not to exceed 140  
22           percent” and inserting “as determined by  
23           the Secretary”;

1           (8) in section 215(a)(6)(B) (42 U.S.C.  
2           12745(a)(6)(B)), by striking “grand children” and  
3           inserting “grandchildren”;

4           (9) in section 217 (42 U.S.C. 12747)—

5           (A) in subsection (a)—

6           (i) in paragraph (1), by striking “(3)”  
7           and inserting “(2)”;

8           (ii) by striking paragraph (3), as  
9           added by section 211(a)(2)(D) of the  
10          Housing and Community Development Act  
11          of 1992 (Public Law 102–550; 106 Stat.  
12          3756); and

13          (iii) by redesignating the remaining  
14          paragraph (3), as added by the matter  
15          under the heading “HOME INVESTMENT  
16          PARTNERSHIPS PROGRAM” under the head-  
17          ing “HOUSING PROGRAMS” in title II of  
18          the Departments of Veterans Affairs and  
19          Housing and Urban Development, and  
20          Independent Agencies Appropriations Act,  
21          1993 (Public Law 102–389; 106 Stat.  
22          1581), as paragraph (2); and

23          (B) in subsection (b)(1)—

24          (i) in subparagraph (A), in the first  
25          sentence—

1 (I) by striking “in regulation”  
2 and inserting “, by regulation,”; and

3 (II) by striking “eligible jurisdic-  
4 tion” and inserting “eligible jurisdic-  
5 tions”; and

6 (ii) in subparagraph (F), in the first  
7 sentence—

8 (I) in clause (i), by striking  
9 “Subcommittee on Housing and  
10 Urban Affairs” and inserting “Sub-  
11 committee on Housing, Transpor-  
12 tation, and Community Development”;  
13 and

14 (II) in clause (ii), by striking  
15 “Subcommittee on Housing and Com-  
16 munity Development of the Committee  
17 on Banking, Finance and Urban Af-  
18 fairs” and inserting “Subcommittee  
19 on Housing and Insurance of the  
20 Committee on Financial Services”;

21 (10) in section 220(c) (42 U.S.C. 12750(c))—

22 (A) in paragraph (3), by striking “Sec-  
23 retary” and all that follows and inserting “Sec-  
24 retary;”;

1 (B) in paragraph (4), by striking “under  
2 this title” and all that follows and inserting  
3 “under this title;”; and

4 (C) by redesignating paragraphs (6), (7),  
5 and (8) as paragraphs (5), (6), and (7), respec-  
6 tively;

7 (11) in section 225(d)(4)(B) (42 U.S.C.  
8 12755(d)(4)(B)), by striking “for” the first place  
9 that term appears; and

10 (12) in section 233 (42 U.S.C. 12773)—

11 (A) in subsection (b)(6), by striking “to  
12 community land trusts (as such term is defined  
13 in subsection (f))” and inserting “to community  
14 land trusts (as such term is defined in section  
15 104)”; and

16 (B) by striking subsection (f).

17 ~~SEC. 502. RURAL HOUSING SERVICE REFORM ACT.~~

18 ~~(a) APPLICATION OF MULTIFAMILY MORTGAGE~~  
19 ~~FORECLOSURE PROCEDURES TO MULTIFAMILY MORT-~~  
20 ~~GAGES HELD BY THE SECRETARY OF AGRICULTURE AND~~  
21 ~~PRESERVATION OF THE RENTAL ASSISTANCE CONTRACT~~  
22 ~~UPON FORECLOSURE.—~~

23 ~~(1) MULTIFAMILY MORTGAGE PROCEDURES.—~~

24 Section 363(2)(F) of the Multifamily Mortgage