AMENDMENT TO H.R. 2895, AS REPORTED

OFFERED BY MR. NEUGEBAUER OF TEXAS

Strike all after the enacting clause and insert the following:

1 **SEC. 1. SHORT TITLE.**

2 This Act may be cited as the "National Affordable
3 Housing Grant Act of 2007".

4 **SEC. 2. NATIONAL AFFORDABLE HOUSING GRANTS.**

5 (a) IN GENERAL.—

6 Title II of the Cranston-Gonzalez National Af-
7 fordable Housing Act (42 U.S.C. 12721 et seq.) is
8 amended by adding at the end the following new
9 subtitle:

10 **"Subtitle G—National Affordable**
11 **Housing Grant Program**

12 **"SEC. 291. PURPOSES.**

13 "The purposes of this subtitle are—

14 "(1) to address the national shortage of hous-
15 ing that is affordable to low-income families by mak-
16 ing grants to finance additional housing activities,
17 without supplanting existing housing appropriations;

18 "(2) to enable rental housing to be built, for
19 families with the greatest economic need, in mixed-

1 income settings and in areas with the greatest eco-
2 nomic opportunities;
3 "(3) to promote ownership of one-to-four family
4 owner-occupied housing by low-income families; and
5 "(4) to construct, rehabilitate, and preserve at
6 least 750,000 affordable dwelling units over the next
7 decade.

8 **"SEC. 292. GRANT AUTHORITY.**

9 "(a) IN GENERAL.—To the extent that amounts are
10 made available to carry out this subtitle, the Secretary of
11 Housing and Urban Development may make grants to
12 participating jurisdictions in accordance with this subtitle.
13 "(b) FEDERAL ASSISTANCE.—All assistance provided
14 under this subtitle shall be considered to be Federal finan-
15 cial assistance.
16 "(c) AUTHORIZATION OF APPROPRIATIONS.—There
17 are authorized to be appropriated for grants under this
18 title such sums as may be necessary for each of fiscal
19 years 2008 through 2012.

20 **"SEC. 293. ALLOCATIONS FOR STATES, INDIAN TRIBES, IN-**
21 **SULAR AREAS, AND PARTICIPATING LOCAL**
22 **JURISDICTIONS.**

23 "For fiscal year 2008 and for each fiscal year there-
24 after, of the total amount available for assistance under

1 this subtitle, the Secretary shall allocate for use under sec-
2 tion 294—
3 "(1) 40 percent for States, Indian tribes, and
4 insular areas; and
5 "(2) 60 percent for participating local jurisdic-
6 tions.
7 **"SEC. 294. GRANT ASSISTANCE.**
8 "(a) AFFORDABLE HOUSING NEEDS FORMULA.—
9 "(1) ESTABLISHMENT AND FACTORS.—The
10 Secretary shall establish a formula to allocate
11 amounts made available for a fiscal year for assist-
12 ance under this subtitle among States, all Indian
13 tribes, insular areas, and participating local jurisdic-
14 tions based on the relative needs of such entities, for
15 funds to increase the supply of decent quality afford-
16 able housing. The formula shall be based upon a
17 comparison of the following factors with respect to
18 each State, Indian tribes, each insular area, and
19 each participating local jurisdiction:
20 "(A) The ratio of the population of the
21 State, Indian tribes, insular area, or partici-
22 pating local jurisdiction, to the aggregate popu-
23 lation of all States, Indian tribes, insular areas,
24 and participating local jurisdictions..

1 "(B) The percentage of families in the ju-
2 risdiction of the State, of Indian tribes, or of
3 the insular area or participating local jurisdic-
4 tion that live in substandard housing.
5 "(C) The percentage of families in the ju-
6 risdiction of the State, of Indian tribes, or of
7 the insular area or that pay more than 50 per-
8 cent of their annual income for housing costs.
9 "(D) The percentage of persons in the ju-
10 risdiction of the State, of Indian tribes, or of
11 the insular area or participating local jurisdic-
12 tion having an income at or below the poverty
13 line.
14 "(E) The cost of constructing or carrying
15 out rehabilitation of housing in the jurisdiction
16 of the State, of Indian tribes, or of the insular
17 area or participating local jurisdiction.
18 "(F) The percentage of the population of
19 the State, of Indian tribes, or of the insular
20 area or participating local jurisdiction that re-
21 sides in counties having extremely low vacancy
22 rates.
23 "(G) The percentage of housing stock in
24 the jurisdiction of the State, of Indian tribes, or

1 of the insular area or participating local juris-
2 diction that is extremely old housing.
3 "(H) Any other factors that the Secretary
4 determines to be appropriate.
5 "(2) FAILURE TO ESTABLISH.—Until such time
6 as the Secretary publishes a notice in the Federal
7 Register implementing regulations establishing the
8 formula required under paragraph (1) of this sub-
9 section, for the purpose of allocating assistance
10 under this subtitle—
11 "(A) section 293, paragraphs (2) and (3)
12 of subsection (b) of this section, and subsection
13 (c) of this section shall not apply;
14 "(B) the allocation for Indian tribes shall
15 be such amount as the Secretary shall establish;
16 and
17 "(C) the formula amount for each State,
18 insular area, or participating local jurisdiction
19 shall be determined by applying, for such State,
20 insular area, or participating local jurisdiction,
21 the percentage that is equal to the percentage
22 of the total amounts made available for such
23 fiscal year for allocation under subtitle A of this
24 title (42 U.S.C. 12741 et seq.) that are allo-
25 cated in such year, pursuant to such subtitle, to

1 such State, insular area, or participating local
2 jurisdiction, respectively, and the allocation for
3 each State, insular area, or participating local
4 jurisdiction, for purposes of subsection (d) shall
5 be the formula amount for the State, insular
6 area, or participating local jurisdiction, respec-
7 tively.
8 "(b) FORMULA AMOUNT.—
9 "(1) IN GENERAL.—For each fiscal year re-
10 ferred to in section 293, the Secretary shall deter-
11 mine the formula amount under this subsection for
12 each State, for Indian tribes, for each insular area,
13 and for each participating local jurisdiction.
14 "(2) STATES, INDIAN TRIBES, AND INSULAR
15 AREAS.—The formula amount for each State, for In-
16 dian tribes, and for each insular area shall be the
17 amount determined for such State, for Indian tribes,
18 or for such insular area by applying the formula
19 under subsection (a) of this section to the total
20 amount allocated under section 293(1) for all States,
21 Indian tribes, and insular areas for the fiscal year.
22 "(3) PARTICIPATING LOCAL JURISDICTIONS.—
23 The formula amount for each participating local ju-
24 risdiction shall be the amount determined for such
25 participating local jurisdiction by applying the for-

1 mula under subsection (a) of this section to the total
2 amount allocated under section 293(2) for all par-
3 ticipating local jurisdictions for the fiscal year.
4 "(4) NOTICE.—For each fiscal year referred to
5 in section 293, not later than 60 days after the date
6 that the Secretary determines the total amount
7 available for such fiscal year pursuant to section
8 292(c) for assistance under this subtitle, the Sec-
9 retary shall cause to be published in the Federal
10 Register a notice that such amounts shall be so
11 available.
12 "(c) ALLOCATION BASED ON AFFORDABLE HOUSING
13 NEEDS FORMULA.—The allocation under this subsection
14 for a State, for Indian tribes, for an insular area, or for
15 a participating local jurisdiction for a fiscal year shall be
16 determined as follows:
17 "(1) STATES.—The allocation for a State shall
18 be as follows:
19 "(A) MINIMUM AMOUNT.—If the formula
20 amount determined under subsection (b)(2) for
21 the State for the fiscal year is less than 1 per-
22 cent of the total amount allocated for such fis-
23 cal year under section 293(1), the allocation for
24 the State shall be 1 percent of the total amount

1 allocated for such fiscal year under section
2 293(1).
3 "(B) FORMULA AMOUNT.—If the formula
4 amount determined under subsection (b)(2) for
5 the State for the fiscal year is 1 percent or
6 more of the total amount allocated for such fis-
7 cal year under section 293(1), the allocation for
8 the State shall be the formula amount for the
9 State, except that the Secretary shall reduce
10 such formula amounts for all States whose allo-
11 cations are determined under this subparagraph
12 on a pro rata basis by the amount necessary to
13 account for any increases from the formula
14 amount for allocations made under subpara-
15 graph (A) so that the total of the allocations for
16 all States pursuant to this paragraph is equal
17 to the aggregate of the formula amounts under
18 subsection (b)(2) for all States.
19 "(2) INDIAN TRIBES AND INSULAR AREAS.—
20 The allocation for Indian tribes and for each insular
21 area shall be the formula amount for Indian tribes
22 or for the insular area, respectively, determined
23 under subsection (b), as applicable.
24 "(3) PARTICIPATING LOCAL JURISDICTIONS.—
25 The allocation for each participating local jurisdic-

1 tion shall be the formula amount for the unit deter-
2 mined under subsection (b).
3 "(d) GRANT AWARDS.—For each fiscal year referred
4 to in section 293, using the amounts made available to
5 the Secretary for assistance under this subtitle for such
6 fiscal year, the Secretary shall, subject to subsection (e),
7 make a grant to each State, insular area, and partici-
8 pating local jurisdiction in the amount of the allocation
9 under subsection (a)(2) or (c), as applicable, for the State,
10 area, or jurisdiction, respectively.
11 "(e) MATCHING REQUIREMENT.—
12 "(1) IN GENERAL.—Each participating jurisdic-
13 tion for a program year shall contribute to eligible
14 activities funded with grant amounts under this sub-
15 title, or require the contribution to such eligible ac-
16 tivities by recipients of such grant amounts of, in
17 addition to any such grant amounts, one dollar for
18 every four dollars of such grant amounts.
19 "(2) REDUCTION OR WAIVER FOR RECIPIENTS
20 IN FISCAL DISTRESS.—The Secretary may reduce or
21 waive the requirement under paragraph (1) with re-
22 spect to any participating jurisdiction that the Sec-
23 retary determines, pursuant to such demonstration
24 by the recipient as the Secretary shall require, is in
25 fiscal distress. The Secretary shall make determina-

1 tions regarding fiscal distress for purposes of this
2 paragraph in the same manner, and according to the
3 same criteria, as fiscal distress is determined with
4 respect to jurisdictions under section 220(d) (42
5 U.S.C. 12750(d)).

6 "(3) QUALIFICATION OF SERVICES FUNDING
7 FOR MATCH.—For purposes of meeting the require-
8 ments of paragraph (1), amounts that a partici-
9 pating jurisdiction, recipient, or other governmental
10 or private agency or entity commits to contribute to
11 provide services to residents of affordable housing
12 provided using grant amounts under this subtitle, by
13 entering into a binding commitment for such con-
14 tribution as the Secretary shall require, shall be con-
15 sidered contributions to eligible activities.

16 "(4) REDUCTION OR WAIVER FOR CERTAIN AC-
17 TIVITIES.—With respect to grant amounts under
18 this subtitle made available for a fiscal year, the
19 Secretary shall reduce or waive the amount of con-
20 tributions otherwise required under paragraph (1) to
21 be made with respect to eligible activities to be car-
22 ried out with such grant amounts and for which any
23 variance from zoning laws or other waiver of regu-
24 latory requirements was approved by the local juris-
25 diction. Such reduction may be implemented in the

1 year following the year in which such activities are
2 funded with grant amounts under this subtitle.
3 "(5) WAIVER FOR DISASTER AREAS.—In the
4 case of any area that is subject to a declaration by
5 the President of a major disaster or emergency
6 under the Robert T. Stafford Disaster Relief and
7 Emergency Assistance Act (42 U.S.C. 5121), the
8 Secretary shall, for the fiscal year following such
9 declaration, waive the requirement under paragraph
10 (1) with respect to any eligible activities to be car-
11 ried out in such area.
12 "(f) COMPETITIVE GRANTS FOR INDIAN TRIBES.—
13 For each fiscal year referred to in section 293, the Sec-
14 retary shall, using amounts allocated for Indian tribes
15 pursuant to subsection (a)(2)(B) or (c)(2), as applicable,
16 and subject to subsection (e), make grants to Indian tribes
17 on a competitive basis, based upon such criteria as the
18 Secretary shall establish, which shall include the factors
19 specified in section 295(c)(2)(B).
20 "(g) USE BY STATE OF UNUSED FUNDS OF LOCAL
21 JURISDICTIONS.—If any participating local jurisdiction
22 for which an allocation is made for a fiscal year pursuant
23 to this section notifies the Secretary of an intent not to
24 use all or part of such funds, any such funds that will
25 not be used by the jurisdiction shall be added to the grant

1 award under subsection (d) for the State in which such
2 jurisdiction is located.
3 "(h) COMPETITIVE GRANTS FOR AREAS WITHOUT
4 ALLOCATION PLANS AND RECIPIENTS WITH INSUFFI-
5 CIENT MATCHING CONTRIBUTIONS.—
6 "(1) AVAILABLE AMOUNTS.—For a fiscal year,
7 the following amounts shall be available for grants
8 under this subsection:
9 "(A) ALLOCATION FOR AREAS NOT SUB-
10 MITTING ALLOCATION PLANS.—With respect to
11 each State, insular area, or participating local
12 jurisdiction that has not, before the expiration
13 of the 12-month period beginning upon the date
14 of the publication of the notice of funding avail-
15 ability for such fiscal year under subsection
16 (b)(4), submitted to and had approved by the
17 Secretary an allocation plan for such fiscal year
18 meeting the requirements of section 295, the
19 amount of the allocation for such State, insular
20 area, or participating local jurisdiction for such
21 fiscal year determined under this section.
22 "(B) UNMATCHED PORTION OF ALLOCA-
23 TION.—With respect to any participating juris-
24 diction for which the grant amount awarded
25 under this subtitle for such fiscal year is re-

1 duced from the amount of the allocation deter-
2 mined under this section for the participating
3 jurisdiction by reason of failure comply with the
4 requirements under subsection (e), the amount
5 by which such allocation for the participating
6 jurisdiction for the fiscal year exceeds the grant
7 amount for the participating jurisdiction for the
8 fiscal year.

9 "(C) UNUSED AMOUNTS.—Any grant
10 amounts under this subtitle for which the par-
11 ticipating jurisdiction notifies the Secretary
12 that such funds will not be used under this sub-
13 title.

14 "(2) NOTICE.—For each fiscal year, not later
15 than 60 days after the date that the Secretary deter-
16 mines that the amounts described in paragraph (1)
17 shall be available for grants under this subsection,
18 the Secretary shall cause to be published in the Fed-
19 eral Register a notice that such amounts shall be so
20 available.

21 "(3) APPLICATIONS.—The Secretary shall pro-
22 vide for nonprofit and public entities (and consortia
23 thereof, which may include regional consortia of
24 units of local government) to submit applications,
25 during the 9-month period beginning upon publica-

1 tion of a notice of funding availability under para-
2 graph (2) for a fiscal year, for a grant of all or a
3 portion of the amounts referred to in paragraph (1)
4 for such fiscal year. Such an application shall in-
5 clude a certification that the applicant will comply
6 with all requirements of this subtitle applicable to a
7 participating jurisdiction under this subsection.

8 "(4) SELECTION CRITERIA.—The Secretary
9 shall, by regulation, establish criteria for selecting
10 applicants that meet the requirements of paragraph
11 (3) for funding under this subsection. Such criteria
12 shall give priority to applications that provide that
13 grant amounts under this subsection will be used for
14 eligible activities relating to affordable housing that
15 is located in the State or insular area, as applicable,
16 for which such grant funds were originally allocated
17 under this section.

18 "(5) AWARD AND USE OF GRANT ASSIST-
19 ANCE.—

20 "(A) AWARD.—Subject only to the absence
21 of applications meeting the requirements of
22 paragraph (3), upon the expiration of the pe-
23 riod referred to in such paragraph, the Sec-
24 retary shall select an applicant or applicants
25 under this subsection to receive the amounts

1 available under paragraph (1) and shall make a
2 grant or grants to such applicant or applicants.
3 The selection shall be based upon the criteria
4 established under paragraph (4).
5 "(B) USE.—Amounts from a grant under
6 this subsection shall be grant amounts for pur-
7 poses of this subtitle.

8 **"SEC. 295. STATE ALLOCATION PLANS.**

9 "(a) IN GENERAL.—Each State shall establish, in
10 consultation with participation local jurisdictions within
11 the State, an allocation plan in accordance with this sec-
12 tion for the distribution grant amounts provided under
13 this subtitle to the State and the participating local juris-
14 dictions. The plan shall—
15 "(1) provide for use of such amounts in accord-
16 ance with section 296;
17 "(2) be based on priority needs within the
18 State; and
19 "(3) be consistent with the comprehensive hous-
20 ing affordability strategy under section 105 (42
21 U.S.C. 12705).
22 "(b) ESTABLISHMENT.—In establishing an allocation
23 plan, after consultation with participating local jurisdic-
24 tions, the State shall notify the public of the establishment
25 of the plan, provide an opportunity for public comments

1 regarding the plan, consider any public comments re-
2 ceived, and make the completed plan available to the pub-
3 lic.

4 "(c) CONTENTS.—Each allocation plan of a State de-
5 scribed in subsection (a) shall comply with the following
6 requirements:

7 "(1) APPLICATION REQUIREMENTS FOR ELIGI-
8 BLE RECIPIENTS.—The allocation plan shall set
9 forth the requirements for eligible recipients to apply
10 to the State to receive assistance from grant
11 amounts under this subtitle of the State or partici-
12 pating local jurisdiction for use for eligible activities,
13 including a requirement that each such application
14 include—

15 "(A) a description of the eligible activities
16 to be conducted using such assistance; and

17 "(B) a certification by the eligible recipient
18 applying for such assistance that any housing
19 assisted with such grant amounts will comply
20 with—

21 "(i) all of the requirements under this
22 subtitle, including the targeting require-
23 ments under section 296(c) and the afford-
24 able housing requirements under section
25 297;

1 "(ii) section 808(d) of the Fair Hous-
2 ing Act (relating to the obligation to af-
3 firmatively further fair housing); and
4 "(iii) section 504 of the Rehabilitation
5 Act of 1973 (relating to prohibition of dis-
6 crimination on the basis of disability).
7 "(2) SELECTION PROCESS AND CRITERIA FOR
8 ASSISTANCE.—
9 "(A) SELECTION PROCESS.—The allocation
10 plan shall set forth a process for the State to
11 select eligible activities meeting the State's pri-
12 ority housing needs for funding with grant
13 amounts under this subtitle of the State and
14 local governments, which shall comply with re-
15 quirements for such process as the Secretary
16 shall, by regulation, establish.
17 "(B) SELECTION CRITERIA.—The alloca-
18 tion plan shall set forth the factors for consid-
19 eration in selecting among applicants that meet
20 the application requirements established pursu-
21 ant to paragraph (1), which shall provide for
22 geographic diversity among eligible activities to
23 be assisted with grant amounts of the State or
24 participating local jurisdictions, and shall in-
25 clude—

1 "(i) the merits of the proposed eligible
2 activity of the applicant, including the ex-
3 tent to which the activity addresses hous-
4 ing needs identified in the allocation plan
5 of the participating jurisdiction and the
6 applicable comprehensive housing afford-
7 ability strategy or consolidated submission
8 referred to in subsection (a)(3);
9 "(ii) the ability of the applicant to ob-
10 ligate grant amounts for the proposed eli-
11 gible activities and to undertake such ac-
12 tivities in a timely manner;
13 "(iii) the amount of assistance lever-
14 aged by the applicant from private and
15 other non-Federal sources for carrying out
16 the eligible activities to be funded with
17 grant amounts under this subtitle, includ-
18 ing assistance made available under section
19 8 of the United States Housing Act of
20 1937 (42 U.S.C. 1437f) that is devoted to
21 the project that contains the affordable
22 housing to be assisted with such assist-
23 ance;
24 "(iv) the extent of local assistance
25 that will be provided in carrying out the el-

1 igible activities, including financial assist-
2 ance;
3 "(v) the degree to which the project in
4 which the affordable housing will be lo-
5 cated will have residents of various in-
6 comes;
7 "(vi) the extent of employment and
8 other economic opportunities for low-in-
9 come families in the area in which the
10 housing will be located;
11 "(vii) the extent to which the appli-
12 cant demonstrates the ability to maintain
13 dwelling units as affordable housing
14 through the use of assistance made avail-
15 able under this subtitle, assistance lever-
16 aged from non-Federal sources, assistance
17 made available under section 8 of the
18 United States Housing Act of 1937 (42
19 U.S.C. 1437f), State or local assistance,
20 programs to increase tenant income, cross-
21 subsidization, and any other resources;
22 "(viii) the extent to which the appli-
23 cant demonstrates that the county in
24 which the housing is to be located is expe-
25 riencing an extremely low vacancy rate;

1 "(ix) the extent to which the percent-
2 age of the housing located in such county
3 that is extremely old housing exceeds 35
4 percent;
5 "(x) the extent to which the housing
6 assisted with the grant amounts will be ac-
7 cessible to persons with disabilities;
8 "(xi) the extent to which the applicant
9 demonstrates that the affordable housing
10 assisted with the grant amounts will be lo-
11 cated in proximity to public transportation,
12 job opportunities, child care, and commu-
13 nity revitalization projects;
14 "(xii) the extent to which the appli-
15 cant has provided that assistance from
16 grant amounts will be used for eligible ac-
17 tivities relating to housing located in cen-
18 sus tracts in which the number of families
19 having incomes less than the poverty line is
20 less than 20 percent; and
21 "(xiii) the extent to which the housing
22 assisted with grant amounts will comply
23 with energy efficiency standards and the
24 national Green Communities criteria
25 checklist for residential construction that

1 provides criteria for the design, develop-
2 ment, and operation of affordable housing,
3 as the Secretary shall by regulation pro-
4 vide.
5 A State may allocate a portion of funds under
6 this section for use by such State for eligible
7 activities pursuant to the selection process
8 under subparagraph (A).
9 "(C) APPLICATIONS.—Applications for
10 funding eligible activities from grant amounts
11 of the local government shall be submitted to
12 the local government, and applications received
13 by the local government that are consistent with
14 the priority housing needs of the local govern-
15 ment shall be sent by the local government to
16 the State for selection by the State in accord-
17 ance with the process established by the State.
18 "(3) PERFORMANCE GOALS, BENCHMARKS, AND
19 TIMETABLES.—The allocation plan shall include per-
20 formance goals, benchmarks, and timetables for the
21 participating jurisdiction for the conducting of eligi-
22 ble activities with grant amounts under this subtitle
23 that comply with requirements and standards for
24 such goals, benchmarks, and timetables as the Sec-
25 retary shall, by regulation, establish.

1 "(d) REVIEW AND APPROVAL BY SECRETARY.—

2 "(1) SUBMISSION.—A participating jurisdiction
3 described in subsection (a) shall submit an allocation
4 plan for the fiscal year for which the grant is made
5 to the Secretary not later than the expiration of the
6 6-month period beginning upon the notice of funding
7 availability under section 294(b)(4) for such fiscal
8 year amounts.

9 "(2) REVIEW AND APPROVAL OR DIS-
10 APPROVAL.—The Secretary shall review and approve
11 or disapprove an allocation plan not later than the
12 expiration of the 3-month period beginning upon
13 submission of the plan.

14 "(3) STANDARD FOR DISAPPROVAL.—The Sec-
15 retary may disapprove an allocation plan only if the
16 plan fails to comply with requirements of this sec-
17 tion or section 296.

18 "(4) RESUBMISSION UPON DISAPPROVAL.—If
19 the Secretary disapproves a plan, the participating
20 jurisdiction may submit to the Secretary a revised
21 plan for review and approval or disapproval under
22 this subsection.

23 "(5) TIMING FOR FISCAL YEAR 2008.—With re-
24 spect only to fiscal year 2008, the Secretary may ex-
25 tend each of the periods referred to in paragraphs

1 (1) and (2), and the period referred to in section
2 294(h)(1)(A), by not more than 6 months.
3 "(e) COMPLIANCE WITH INTERNAL REVENUE
4 CODE.—A State may combine the allocation plan and
5 process under this section with the qualified allocation
6 plan and process required under section 42 of the Internal
7 Revenue Code of 1986.

8 **"SEC. 296. USE OF ASSISTANCE BY RECIPIENTS.**

9 "(a) DISTRIBUTION TO RECIPIENTS; USE REQUIRE-
10 MENTS.—Each participating jurisdiction shall distribute
11 grant amounts under this subtitle of the participating ju-
12 risdiction to eligible recipients for use in accordance with
13 this section. Grant amounts under this subtitle of a par-
14 ticipating jurisdiction may be used, or committed for use,
15 only for eligible activities that—
16 "(1) are conducted in the jurisdiction of the
17 participating jurisdiction;
18 "(2) in the case of a participating jurisdiction
19 that is a State, insular area, participating local ju-
20 risdiction, or participating jurisdiction under section
21 294(h), comply with the allocation plan of the par-
22 ticipating jurisdiction under section 295;
23 "(3) are selected for funding by the partici-
24 pating jurisdiction in accordance with the process

1 and criteria for such selection established pursuant
2 to section 295(c)(2); and
3 "(4) comply with the targeting requirements
4 under subsection (c) of this section and the afford-
5 able housing requirements under section 297.
6 "(b) ELIGIBLE RECIPIENTS.—Grant amounts under
7 this subtitle of a participating jurisdiction may be provided
8 only to an organization, agency, or other entity (including
9 a for-profit entity, a nonprofit entity, a faith-based organi-
10 zation, a community development financial institution, a
11 community development corporation, and a State or local
12 housing trust fund) that—
13 "(1) demonstrates the experience, ability, and
14 capacity (including financial capacity) to undertake,
15 comply, and manage the eligible activity;
16 "(2) demonstrates its familiarly with the re-
17 quirements of any other Federal, State or local
18 housing program that will be used in conjunction
19 with such grant amounts to ensure compliance with
20 all applicable requirements and regulations of such
21 programs; and
22 "(3) makes such assurances to the participating
23 jurisdiction as the Secretary shall, by regulation, re-
24 quire to ensure that the recipient will comply with
25 the requirements of this subtitle during the entire

1 period that begins upon selection of the recipient to
2 receive such grant amounts and ending upon the
3 conclusion of all eligible activities that are engaged
4 in by the recipient and funded with such grant
5 amounts.

6 "(c) TARGETING REQUIREMENTS.—The targeting re-
7 quirements under this subsection are as follows:

8 "(1) REQUIREMENT OF USE OF ALL AMOUNTS
9 FOR AFFORDABLE HOUSING FOR LOW-INCOME FAMI-
10 LIES.—All grant amounts under this subtitle of a
11 participating jurisdiction shall be distributed for use
12 only for eligible activities relating to affordable hous-
13 ing that are for the benefit only of families whose
14 incomes do not exceed 80 percent of the greater of—

15 "(A) the median family income for the
16 area in which the housing is located, as deter-
17 mined by the Secretary with adjustments for
18 smaller and larger families; and

19 "(B) the median family income for the
20 State or insular area in which the housing is lo-
21 cated, as determined by the Secretary with ad-
22 justments for smaller and larger families.

23 "(2) USE OF 75 PERCENT FOR AFFORDABLE
24 HOUSING FOR EXTREMELY LOW-INCOME FAMI-
25 LIES.—Not less than 75 percent of the grant

1 amounts under this subtitle of a participating juris-
2 diction for each fiscal year shall be used only for eli-
3 gible activities relating to affordable housing that
4 are for the benefit only of families whose incomes do
5 not exceed the higher of—
6 "(A) 30 percent of the median family in-
7 come for the area in which the housing is lo-
8 cated, as determined by the Secretary with ad-
9 justments for smaller and larger families; and
10 "(B) the poverty line (as such term is de-
11 fined in section 673 of the Omnibus Budget
12 Reconciliation Act of 1981 (42 U.S.C. 9902),
13 including any revision required by such section)
14 applicable to a family of the size involved.
15 "(3) USE OF 30 PERCENT FOR AFFORDABLE
16 HOUSING FOR VERY POOR FAMILIES.—Not less than
17 30 percent of the grant amounts under this subtitle
18 of a participating jurisdiction for each fiscal year
19 shall be used only for eligible activities relating to
20 affordable housing that are for the benefit only of
21 families whose incomes do not exceed the maximum
22 amount of income that an individual or family could
23 have, taking into consideration any income dis-
24 regards, and remain eligible for benefits under the
25 Supplemental Security Income program under title

1 XVI of the Social Security Act (42 U.S.C. 1381 et
2 seq.).
3 "(d) USE FOR RURAL AREAS.—Of the grant amounts
4 under this subtitle for any fiscal year for any participating
5 jurisdiction that is a State or participating jurisdiction
6 that includes any rural areas, the State or participating
7 jurisdiction shall use a portion for eligible activities located
8 in rural areas that is proportionate to the identified need
9 for such activities in such rural areas.
10 "(e) COST LIMITS.—The Secretary shall establish
11 limitations on the amount of grant amounts under this
12 subtitle that may be used, on a per unit basis, for eligible
13 activities. Such limitations shall be the same as the per
14 unit cost limits established pursuant to section 212(e) (42
15 U.S.C. 12742(e)), as adjusted annually, and established
16 by number of bedrooms, market area, and eligible activity.
17 "(f) FORMS OF ASSISTANCE.—
18 "(1) IN GENERAL.—Assistance may be distrib-
19 uted pursuant to this section in the form of—
20 "(A) capital grants, noninterest-bearing or
21 low-interest loans or advances, deferred pay-
22 ment loans, guarantees, and loan loss reserves;
23 "(B) in the case of assistance for owner-
24 ship of one- to four-family owner-occupied hous-
25 ing, downpayment assistance, closing cost as-

1 sistance, and assistance for interest rate buy-
2 downs; and
3 "(C) any other forms of assistance ap-
4 proved by the Secretary.
5 "(2) REPAYMENTS.—If a participating jurisdic-
6 tion awards assistance under this section in the form
7 of a loan or other mechanism by which funds are
8 later repaid to the participating jurisdiction, any re-
9 payments and returns received by the participating
10 jurisdiction shall be distributed by the participating
11 jurisdiction in accordance with the allocation plan
12 under section 295 for the State for the fiscal year
13 in which such repayments are made or returns are
14 received.
15 "(g) COORDINATION WITH OTHER ASSISTANCE.—In
16 distributing assistance pursuant to this section, each par-
17 ticipating jurisdiction shall, to the maximum extent prac-
18 ticable, coordinate such distribution with the provision of
19 other Federal, State, tribal, and local housing assistance,
20 including—
21 "(1) in the case of any State, housing credit
22 dollar amounts allocated by the State under section
23 42(h) of the Internal Revenue Code of 1986;
24 "(2) assistance made available under subtitles
25 A through F (42 U.S.C. 12721 et seq.) or the com-

1 munity development block grant program under title
2 I of the Housing and Community Development Act
3 of 1974 (42 U.S.C. 5301 et seq.);
4 "(3) private activity bonds;
5 "(4) assistance made available under section 9
6 of the United States Housing Act of 1937 (42
7 U.S.C. 1437g);
8 "(5) assistance made available under section
9 8(o) of the United States Housing Act of 1937 (42
10 U.S.C. 1437f(o));
11 "(6) assistance made available under title V of
12 the Housing Act of 1949 (42 U.S.C. 1471 et seq.);
13 "(7) assistance made available under section
14 101 of the Native American Housing Assistance and
15 Self-Determination Act of 1996 (25 U.S.C. 4111);
16 "(8) assistance made available from any State
17 or local housing trust fund established to provide or
18 assist in making available affordable housing; and
19 "(9) any other housing assistance programs.
20 "(h) PROHIBITED USES.—The Secretary shall—
21 "(1) by regulation, set forth prohibited uses of
22 grant amounts under this subtitle, which shall in-
23 clude use for—
24 "(A) political activities;
25 "(B) advocacy;

1 "(C) lobbying, whether directly or through
2 other parties;
3 "(D) counseling services;
4 "(E) travel expenses; and
5 "(F) preparing or providing advice on tax
6 returns;
7 "(2) by regulation, provide that, except as pro-
8 vided in paragraph (3), grant amounts under this
9 subtitle may not be used for administrative, out-
10 reach, or other costs of—
11 "(A) a participating jurisdiction; or
12 "(B) any recipient of such grant amounts;
13 and
14 "(3) by regulation, limit the amount of any
15 grant amounts under this subtitle for a fiscal year
16 that may be used for administrative costs of the par-
17 ticipating jurisdiction of carrying out the program
18 required under this subtitle to a percentage of such
19 grant amounts of the participating jurisdiction for
20 such fiscal year, which may not exceed 10 percent.
21 "(i) LABOR STANDARDS.—Each participating juris-
22 diction receiving grant amounts under this subtitle shall
23 ensure that contracts for eligible activities assisted with
24 such amounts comply with the same requirements under
25 section 286 (42 U.S.C. 12836) that are applicable to con-

1 tracts for construction of affordable housing assisted
2 under such Act.
3 "(j) COMPLIANCE WITH OTHER FEDERAL LAWS.—
4 All amounts made available for use under this subtitle
5 shall be allocated in accordance with, and any eligible ac-
6 tivities carried out in whole or in part with grant amounts
7 under this subtitle (including housing provided with such
8 grant amounts) shall comply with and be operated in com-
9 pliance with, other applicable provisions of Federal law,
10 including—
11 "(1) laws relating to tenant protections and
12 tenant rights to participate in decision making re-
13 garding their residences;
14 "(2) laws requiring public participation, includ-
15 ing laws relating to Consolidated Plans, Qualified
16 Allocation Plans, and Public Housing Agency Plans;
17 and
18 "(3) fair housing laws and laws regarding ac-
19 cessibility in federally assisted housing, including
20 section 504 of the Rehabilitation Act of 1973.
21 **"SEC. 297. AFFORDABLE HOUSING.**
22 "(a) RENTAL HOUSING.—A rental dwelling unit
23 (which may include a dwelling unit in limited equity coop-
24 erative housing, as such term is defined in section 143(k)
25 of the Internal Revenue Code of 1986 (26 U.S.C. 143(k))

1 or in housing of a cooperative housing corporation, as such
2 term is defined in section 216(b) of the Internal Revenue
3 Code of 1986 (26 U.S.A. 216(b))), shall be considered af-
4 fordable housing for purposes of this subtitle only if the
5 dwelling unit is subject to legally binding commitments
6 that ensure that the dwelling unit meets all of the fol-
7 lowing requirements:

8 "(1) RENTS.—The dwelling unit bears a rent
9 not greater than the lesser of—

10 "(A) the existing fair market rental estab-
11 lished by the Secretary under section 8(c) of
12 the United States Housing Act of 1937 (42
13 U.S.C. 1437f(c)) for a dwelling unit of the
14 same size in the same market area, or the ap-
15 plicable payment standard for assistance under
16 section 8(o) of such Act, if higher; and

17 "(B) a rent that does not exceed 30 per-
18 cent of the adjusted income of a family whose
19 income equals 65 percent of the median income
20 for the area, as determined by the Secretary,
21 with adjustment for number of bedrooms in the
22 unit, except that the Secretary may establish
23 income ceilings higher or lower than 65 percent
24 of the median for the area on the basis of the
25 findings of the Secretary that such variations

1 are necessary because of prevailing levels of
2 construction costs or fair market rents, or un-
3 usually high or low family incomes.
4 "(2) TENANT RENT CONTRIBUTION.—The con-
5 tribution toward rent by the family residing in the
6 dwelling unit will not exceed 30 percent of the ad-
7 justed income of such family.
8 "(3) NON-DISCRIMINATION AGAINST VOUCHER
9 HOLDERS.—The dwelling unit is located in a project
10 in which all dwelling units are subject to enforceable
11 restrictions that provide that a unit may not be re-
12 fused for leasing to a holder of a voucher of eligi-
13 bility under section 8 of the United States Housing
14 Act of 1937 (42 U.S.C. 1437f) because of the status
15 of the prospective tenant as a holder of such vouch-
16 er.
17 "(4) MIXED INCOME.—
18 "(A) IN GENERAL.—The dwelling unit is
19 located in a project in which not more than 50
20 percent of the rental units in the project that
21 receive assistance under this subtitle and are
22 not previously occupied may be rented initially
23 to families with incomes described in section
24 295(c)(2), as determined at a reasonable time
25 before occupancy.

1 "(B) EXCEPTIONS.—Subparagraph (A)
2 shall not apply in the case of a project having
3 25 or fewer dwelling units that is—
4 "(i) located in a census tract in which
5 the number of families having incomes less
6 than the poverty line is less than 20 per-
7 cent;
8 "(ii) located in a rural area, as such
9 term is defined in section 520 of the Hous-
10 ing Act of 1949 (42 U.S.C. 1490); or
11 "(iii) specifically made available only
12 for households comprised of elderly fami-
13 lies or disabled families.
14 "(5) VISITABILITY.—To the extent the dwelling
15 unit is not required under Federal law to comply
16 with standards relating to accessibility to persons
17 with disabilities, the dwelling unit complies with
18 such basic visitability standards as the Secretary
19 shall by regulation provide.
20 "(6) DURATION OF USE.—The dwelling unit
21 will continue to be subject to all requirements under
22 this subsection for not less than 50 years.
23 "(b) OWNER-OCCUPIED HOUSING.—For purposes of
24 any eligible activity involving one- to four-family owner-
25 occupied housing (which may include housing of a cooper-

1 ative housing corporation, as such term is defined in sec-
2 tion 216(b) of the Internal Revenue Code of 1986 (26
3 U.S.A. 216(b))), such a residence shall be considered af-
4 fordable housing for purposes of this subtitle only if—
5 "(1) in the case of housing to be made available
6 for purchase—
7 "(A) the housing is available for purchase
8 only for use as a principal residence by families
9 that qualify as first-time homebuyers, as such
10 term is defined in section 104 (42 U.S.C.
11 12704), except that any reference in such sec-
12 tion to assistance under title II of this Act shall
13 for purposes of this section be considered to
14 refer to assistance from grant amounts under
15 this subtitle;
16 "(B) the housing has an initial purchase
17 price that meets the requirements of section
18 215(b)(1); and
19 "(C) the housing is subject to the same re-
20 sale restrictions established under section
21 215(b)(3) and applicable to the participating
22 jurisdiction that is the State in which such
23 housing is located; and
24 "(2) the housing is made available for purchase
25 only by, or in the case of assistance to a homebuyer

1 pursuant to this subsection, the assistance is made
2 available only to, homebuyers who have, before pur-
3 chase, completed a program of counseling with re-
4 spect to the responsibilities and financial manage-
5 ment involved in homeownership that is approved by
6 the Secretary; except that the Secretary may, at the
7 request of a State, waive the requirements of this
8 paragraph with respect to a geographic area or
9 areas within the State if—
10 "(A) the travel time or distance involved in
11 providing counseling with respect to such area
12 or areas, as otherwise required under this para-
13 graph, on an in-person basis is excessive or the
14 cost of such travel is prohibitive; and
15 "(B) the State provides alternative forms
16 of counseling for such area or areas, which may
17 include interactive telephone counseling, on-line
18 counseling, interactive video counseling, and
19 interactive home study counseling and a pro-
20 gram of financial literacy and education to pro-
21 mote an understanding of consumer, economic,
22 and personal finance issues and concepts, in-
23 cluding saving for retirement, managing credit,
24 long-term care, and estate planning and edu-
25 cation on predatory lending, identity theft, and

1 financial abuse schemes relating to homeowner-
2 ship that is approved by the Secretary, except
3 that entities providing such counseling shall not
4 discriminate against any particular form of
5 housing; and

6 **"SEC. 298. OTHER PROVISIONS.**

7 "(a) EFFECT OF ASSISTANCE UNDER PROGRAM.—
8 Notwithstanding any other provision of law, the provision
9 of assistance under this subtitle for a project shall not re-
10 duce the amount of assistance for which such project is
11 otherwise eligible under subtitles A through F of this title,
12 if the project does not exceed the cost limits established
13 pursuant to section 296(e).

14 "(b) ACCOUNTABILITY OF PARTICIPATING JURISDIC-
15 TIONS AND RECIPIENTS.—

16 "(1) RECIPIENTS.—

17 "(A) TRACKING OF FUNDS.—The Sec-
18 retary shall—

19 "(i) require each participating juris-
20 diction to develop and maintain a system
21 to ensure that each recipient of assistance
22 from grant amounts under this subtitle of
23 the participating jurisdiction uses such
24 amounts in accordance with this subtitle,
25 the regulations issued under this subtitle,

1 and any requirements or conditions under
2 which such amounts were provided; and
3 "(ii) establish minimum requirements
4 for agreements, between the participating
5 jurisdiction and recipients, regarding as-
6 sistance from the grant amounts under
7 this subtitle of the participating jurisdic-
8 tion, which shall include—
9 "(I) appropriate continuing fi-
10 nancial and project reporting, record
11 retention, and audit requirements for
12 the duration of the grant to the re-
13 cipient to ensure compliance with the
14 limitations and requirements of this
15 subtitle and the regulations under this
16 subtitle; and
17 "(II) any other requirements that
18 the Secretary determines are nec-
19 essary to ensure appropriate grant ad-
20 ministration and compliance.
21 "(B) MISUSE OF FUNDS.—
22 "(i) REIMBURSEMENT REQUIRE-
23 MENT.—If any recipient of assistance from
24 grant amounts under this subtitle of a par-
25 ticipating jurisdiction is determined, in ac-

1 cordance with clause (ii), to have used any
2 such amounts in a manner that is materi-
3 ally in violation of this subtitle, the regula-
4 tions issued under this subtitle, or any re-
5 quirements or conditions under which such
6 amounts were provided, the participating
7 jurisdiction shall require that, within 12
8 months after the determination of such
9 misuse, the recipient shall reimburse the
10 participating jurisdiction for such misused
11 amounts and return to the participating
12 jurisdiction any amounts from the grant
13 amounts under this subtitle of the partici-
14 pating jurisdiction that remain unused or
15 uncommitted for use. The remedies under
16 this clause are in addition to any other
17 remedies that may be available under law.
18 "(ii) DETERMINATION.—A determina-
19 tion is made in accordance with this clause
20 if the determination is—
21 "(I) made by the Secretary ; or
22 "(II)(aa) made by the partici-
23 pating jurisdiction;
24 "(bb) the participating jurisdic-
25 tion provides notification of the deter-

1 mination to the Secretary for review,
2 in the discretion of the Secretary, of
3 the determination; and
4 "(cc) the Secretary does not sub-
5 sequently reverse the determination.
6 "(2) PARTICIPATING JURISDICTIONS.—
7 "(A) REPORT.—
8 "(i) IN GENERAL.—The Secretary
9 shall require each participating jurisdiction
10 receiving grant amounts under this subtitle
11 for a fiscal year to submit a report, for
12 such fiscal year, to the Secretary that—
13 "(I) describes the activities fund-
14 ed under this subtitle during such
15 year with the grant amounts under
16 this subtitle of the participating juris-
17 diction; and
18 "(II) the manner in which the
19 participating jurisdiction complied
20 during such fiscal year with the allo-
21 cation plan established pursuant to
22 section 295 for the participating juris-
23 diction.

1 "(ii) PUBLIC AVAILABILITY.—The
2 Secretary shall make such reports pursu-
3 ant to this subparagraph publicly available.
4 "(B) MISUSE OF FUNDS.—If the Secretary
5 determines, after reasonable notice and oppor-
6 tunity for hearing, that a participating jurisdic-
7 tion has failed to comply substantially with any
8 provision of this subtitle and until the Secretary
9 is satisfied that there is no longer any such fail-
10 ure to comply, the Secretary shall—
11 "(i) reduce the amount of assistance
12 under this section to the participating ju-
13 risdiction by an amount equal to the
14 amount of grant amounts under this sub-
15 title which were not used in accordance
16 with this subtitle;
17 "(ii) require the participating jurisdic-
18 tion to repay the Secretary an amount
19 equal to the amount of the grant amounts
20 under this subtitle which were not used in
21 accordance with this subtitle;
22 "(iii) limit the availability of assist-
23 ance under this subtitle to the partici-
24 pating jurisdiction to activities or recipi-

1 ents not affected by such failure to comply;
2 or
3 "(iv) terminate any assistance under
4 this subtitle to the participating jurisdic-
5 tion.
6 "(C) UNEXPENDED FUNDS.—Grant
7 amounts under this subtitle that are not com-
8 mitted to projects by the State or participating
9 local jurisdiction before the expiration of the
10 24-month period beginning the last day of the
11 month in which the Secretary executes the
12 grant agreement with the State or participating
13 local jurisdiction shall be recaptured by the Sec-
14 retary and added to amounts available in the
15 following fiscal year for formula allocation
16 under section 294.
17 **"SEC. 299. DEFINITIONS.**
18 "For purposes of this subtitle, the following defini-
19 tions shall apply:
20 "(1) ELIGIBLE ACTIVITIES.—The term 'eligible
21 activities' means activities relating to the construc-
22 tion, preservation, or rehabilitation of affordable
23 rental housing or affordable one- to four-family
24 owner-occupied housing, including—
25 "(A) the construction of new housing;

1 "(B) the acquisition of real property;
2 "(C) site preparation and improvement, in-
3 cluding demolition;
4 "(D) rehabilitation of existing housing;
5 "(E) use of funds to facilitate affordability
6 for homeless and other extremely low-income
7 households of dwelling units assisted with grant
8 amounts under this subtitle, in a combined
9 amount not to exceed 20 percent of the project
10 grant amount, for—
11 "(i) project-based rental assistance for
12 not more than 12 months for a project as-
13 sisted with grant amounts under this sub-
14 title;
15 "(ii) project operating reserves for use
16 to cover the loss of rental assistance or in
17 conjunction with a project loan; or
18 "(iii) project operating accounts used
19 to cover net operating income shortfalls for
20 dwelling units assisted with grant amounts
21 under this subtitle; and
22 "(F) providing incentives to maintain ex-
23 isting housing (including manufactured hous-
24 ing) as affordable housing and to establish or
25 extend any low-income affordability restrictions

1 for such housing, including covering capital ex-
2 penditures and costs of establishing community
3 land trusts to provide sites for manufactured
4 housing provided such incentives;
5 "(2) ELIGIBLE RECIPIENT.—The term 'eligible
6 recipient' means an entity that meets the require-
7 ments under section 296(b) for receipt of grant
8 amounts under this subtitle of a participating juris-
9 diction.
10 "(3) EXTREMELY LOW VACANCY RATE.—The
11 term 'extremely low vacancy rate' means a housing
12 or rental vacancy rate of 2 percent or less.
13 "(4) EXTREMELY OLD HOUSING.—The term
14 'extremely old housing' means housing that is 45
15 years old or older.
16 "(5) FAMILIES.—The term 'families' has the
17 meaning given such term in section 3(b) of the
18 United States Housing Act of 1937 (42 U.S.C.
19 1437a(b)).
20 "(6) FISCAL DISTRESS; SEVERE FISCAL DIS-
21 TRESS.—The terms 'fiscal distress' and 'severe fiscal
22 distress' have the meanings given such terms in sec-
23 tion 220(d).
24 "(7) GRANT AMOUNTS.—The term 'grant
25 amounts' means amounts that are provided to a par-

1 ticipating jurisdiction pursuant to subsection (d),
2 (f), or (h) of section 294.
3 "(8) INDIAN TRIBE.—The term 'Indian tribe'
4 means a federally recognized Indian tribe.
5 "(9) INSULAR AREA.—The term 'insular area'
6 has the meaning given such term in section 104.
7 "(10) PARTICIPATING LOCAL JURISDICTION.—
8 The term 'participating local jurisdiction' means,
9 with respect to a fiscal year—
10 "(A) any unit of general local government
11 (as such term is defined in section 104 (42
12 U.S.C. 12704) that qualifies as a participating
13 jurisdiction under section 216 (42 U.S.C.
14 12746) for such fiscal year; and
15 "(B) at the option of such a consortium,
16 any consortium of units of general local govern-
17 ments that is designated pursuant to section
18 216 (42 U.S.C. 12746) as a participating juris-
19 diction for purposes of title II.
20 "(11) PARTICIPATING JURISDICTION.—The
21 term 'participating jurisdiction' means—
22 "(A) a State, insular area, or participating
23 local jurisdiction for which a grant is made
24 under section 294(d);

1 "(B) an Indian tribe for which a grant is
2 made under section 294(f); or
3 "(C) a nonprofit or public entity for which
4 a grant is made under section 294(h).
5 "(12) POVERTY LINE.—The term 'poverty line'
6 has the meaning given such term in section 673(2)
7 of the Omnibus Budget Reconciliation Act of 1981,
8 including any revision required by such section.
9 "(13) RECIPIENT.—The term 'recipient' means
10 an entity that receives assistance from a partici-
11 pating jurisdiction, pursuant to section 296(a), from
12 grant amounts under this subtitle of the partici-
13 pating jurisdiction.
14 "(14) RURAL AREA.—The term 'rural area' has
15 the meaning given such term in section 520 of the
16 Housing Act of 1949 (42 U.S.C. 1490).
17 "(15) SECRETARY.—The term 'Secretary'
18 means the Secretary of Housing and Urban Develop-
19 ment.
20 "(16) STATE.—The term 'State' has the mean-
21 ing given such term in section 104.
22 **"SEC. 300. INAPPLICABILITY OF HOME PROVISIONS.**
23 "Except as specifically provided otherwise in this sub-
24 title, no requirement under, or provision of, subtitles B

1 through D of this title shall apply to assistance provided
2 under this subtitle.

3 **"SEC. 301. REGULATIONS AND REPORTS.**

4 "(a) REGULATIONS.—Not later than 6 months after
5 the date of enactment of the National Affordable Housing
6 Grant Act of 2007, the Secretary of Housing and Urban
7 Development shall promulgate regulations to carry out
8 this subtitle, which shall include regulations establishing
9 the affordable housing needs formula in accordance with
10 section 294(a).

11 "(b) REPORTS ON HOME PROGRAM STREAM-
12 LINING.—Not later than the expiration of the 6-month pe-
13 riod referred to in subsection (a), the Secretary of Hous-
14 ing and Urban Development and the Comptroller General
15 of the United States shall each submit to the Congress
16 a report making recommendations for streamlining the
17 various programs for assistance under this title, including
18 the HOME Investment Partnerships program under sub-
19 title A, the Community Housing Partnership program
20 under subtitle B, the Downpayment Assistance Initiative
21 under subtitle E, and the National Affordable Housing
22 Grant Program under this subtitle.".

23 (b) PROGRAM YEAR FOR MATCHING CONTRIBU-
24 TIONS.—Section 220 of the Cranston-Gonzalez National
25 Affordable Housing Act (42 U.S.C. 12750) is amended—

1 (1) in subsection (a)—

2 (A) by striking "a fiscal year" and insert-
3 ing "a program year of the jurisdiction"; and

4 (B) by striking "such fiscal year" and in-
5 serting "such program year"; and

6 (2) in subsection (d)—

7 (A) in paragraph (1), by striking "fiscal
8 year" and inserting "program year of the juris-
9 diction";

10 (B) in paragraph (3), by striking "fiscal
11 year" each place such term appears and insert-
12 ing "program year"; and

13 (C) in paragraph (5), by striking "fiscal
14 year" and inserting "program year of the juris-
15 diction".