

TITLE XIV - HOUSING PROGRAMS UNDER STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT

SUBTITLE A - HOUSING ASSISTANCE

SEC. 1401. SHORT TITLE.

This title may be cited as the 'Stewart B. McKinney Homeless Housing Assistance Amendments Act of 1992'.

SEC. 1402. EMERGENCY SHELTER GRANTS PROGRAM.

(a) Authorization of Appropriations. - Section 417 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11377) is amended to read as follows:

'SEC. 417. AUTHORIZATION OF APPROPRIATIONS.

'There are authorized to be appropriated to carry out this subtitle \$138,000,000 for fiscal year 1993 and \$143,796,000 for fiscal year 1994.'

(b) Employment of Homeless Individuals. - Section 415(c) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11375(c)) is amended -

(1) at the end of paragraph (1), by striking the period and inserting a semicolon;

(2) at the end of paragraph (3), by striking 'and';

(3) in paragraph (4) -

(A) by inserting 'it will' after 'State,'; and

(B) by striking 'and' at the end;

(4) in paragraph (5) -

(A) by inserting 'it will' before 'develop'; and

(B) by striking the period at the end and inserting a semicolon;

(5) in the paragraph that follows paragraph (5) (as added by section 832(h)(3) of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625; 104 Stat. 4362)) -

(A) by redesignating the paragraph as paragraph (6); and

(B) by striking the period at the end and inserting 'and'; and

(6) by adding at the end the following new paragraph:

'(7) to the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under this subtitle, in providing services assisted under this subtitle, and in providing services for occupants of facilities assisted under this subtitle.'

(c) Participation of Homeless Individuals. - Section 415 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11375) is amended by adding at the end the following new subsection:

'(d) Participation of Homeless Individuals. - The Secretary shall, by regulation, require each recipient that is not a State to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policymaking entity of such recipient, to the extent that such entity considers and makes policies and decisions regarding any facility, services, or other assistance of the recipient assisted under this subtitle. The Secretary may grant waivers to recipients unable to meet the requirement under the preceding sentence if the recipient agrees to otherwise consult with homeless or formerly homeless individuals in considering and making such policies and decisions.'

(d) Termination of Assistance. - Section 415 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11375) is amended by adding after subsection (d) (as added by subsection (c) of this section) the following new subsection:

'(e) Termination of Assistance. - If an individual or family who receives assistance under this subtitle from a recipient violates program requirements, the recipient may terminate assistance in accordance with a formal process established by the recipient that recognizes the rights of individuals affected, which may include a hearing.'

(e) Eligibility of Staff Costs. - Section 414(a)(3) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11374(a)(3)) is amended -

(1) by striking '(other than staff)'; and

(2) by inserting before the period at the end the following:
' , except that not more than 10 percent of the amount of any grant received under this subtitle may be used for costs of staff'.

SEC. 1403. SUPPORTIVE HOUSING PROGRAM.

(a) In General. - Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361 et seq.) is amended by striking subtitles C and D and inserting the following new subtitle:

'SUBTITLE C - SUPPORTIVE HOUSING PROGRAM

'SEC. 421. PURPOSE.

'The purpose of the program under this subtitle is to promote the development of supportive housing and supportive services, including innovative approaches to assist homeless persons in the transition from homelessness, and to promote the provision of supportive housing to homeless persons to enable them to live as independently as possible.

'SEC. 422. DEFINITIONS.

'For purposes of this subtitle:

'(1) The term 'applicant' means a State, Indian tribe, metropolitan city, urban county, governmental entity, private nonprofit organization, or community mental health association that is a public nonprofit organization, that is eligible to receive assistance under this subtitle and submits an application under section 426(a).

'(2) The term 'disability' means -

'(A) a disability as defined in section 223 of the Social Security Act,

'(B) to be determined to have, pursuant to regulations issued by the Secretary, a physical, mental, or emotional impairment which (i) is expected to be of long-continued and indefinite duration, (ii) substantially impedes an individual's ability to live independently, and (iii) of such a nature that such ability could be improved by more suitable housing conditions,

'(C) a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act, or

'(D) the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agency for acquired immunodeficiency syndrome.

Subparagraph (D) shall not be construed to limit eligibility under subparagraphs (A) through (C) or the provisions referred to in subparagraphs (A) through (C).

'(3) The term 'Indian tribe' has the meaning given the term in section 102(a) of the Housing and Community Development Act of 1974.

'(4) The term 'metropolitan city' has the meaning given the term in section 102 of the Housing and Community Development

Act of 1974.

'(5) The term 'operating costs' means expenses incurred by a recipient operating supportive housing under this subtitle with respect to -

'(A) the administration, maintenance, repair, and security of such housing;

'(B) utilities, fuel, furnishings, and equipment for such housing; and

'(C) the conducting of the assessment under section 426(c)(2).

'(6) The term 'outpatient health services' means outpatient health care, outpatient mental health services, outpatient substance abuse services, and case management.

'(7) The term 'private nonprofit organization' means an organization -

'(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

'(B) that has a voluntary board;

'(C) that has an accounting system, or has designated a fiscal agent in accordance with requirements established by the Secretary; and

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

'(8) The term 'project' means a structure or structures (or a portion of such structure or structures) that is acquired, rehabilitated, constructed, or leased with assistance provided under this subtitle or with respect to which the Secretary provides technical assistance or annual payments for operating costs under this subtitle, or supportive services.

'(9) The term 'recipient' means any governmental or nonprofit entity that receives assistance under this subtitle.

'(10) The term 'Secretary' means the Secretary of Housing and Urban Development.

'(11) The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and Palau.

'(12) The term 'supportive housing' means a project that meets the requirements of section 424.

'(13) The term 'supportive services' means services under section 425.

'(14) The term 'urban county' has the meaning given the term in section 102 of the Housing and Community Development Act of 1974.

'SEC. 423. ELIGIBLE ACTIVITIES.

'(a) In General . - The Secretary may provide any project with one or more of the following types of assistance under this subtitle:

'(1) Acquisition and rehabilitation. - A grant, in an amount not to exceed \$200,000, for the acquisition, rehabilitation, or acquisition and rehabilitation, of an existing structure (including a small commercial property or office space) to provide supportive housing other than emergency shelter or to provide supportive services; except that the Secretary may increase the dollar limitation under this sentence to not more than \$400,000 for areas that the Secretary finds have high acquisition and rehabilitation costs. The repayment of any outstanding debt owed on a loan made to purchase an existing structure shall be considered to be a cost of acquisition eligible for a grant under this paragraph if the structure was not used as supportive housing, or to provide supportive services, before the receipt of assistance.

'(2) New construction. - A grant, in an amount not to exceed \$400,000, for new construction of a structure to provide supportive housing.

'(3) Leasing. - A grant for leasing of an existing structure or structures, or portions thereof, to provide supportive housing or supportive services during the period covered by the application. Grant recipients may reapply for such assistance as needed to continue the use of such structure for purposes of this subtitle.

'(4) Operating costs. - Annual payments for operating costs of housing assisted under this subtitle, not to exceed 75 percent of the annual operating costs of such housing. Grant recipients may reapply for such assistance as needed to continue the use of the housing for purposes of this subtitle.

'(5) Supportive services. - A grant for costs of supportive services provided to homeless individuals. Any recipient, including program recipients under title IV of this Act before the date of the enactment of the Housing and Community Development Act of 1992, may reapply for such assistance or for the renewal of such assistance to continue services funded under prior grants or to provide other services.

'(6) Technical assistance. - Technical assistance in carrying out the purposes of this subtitle.

'(b) Use Restrictions . -

'(1) Acquisition, rehabilitation, and new construction. - Projects assisted under subsection (a) (1) or (2) shall be operated for not less than 20 years for the purpose specified in the application.

'(2) Other assistance. - Projects assisted under subsection (a) (3), (4), (5), or (6) (but not under subsection (a) (1) or (2)) shall be operated for the purposes specified in the application for the duration of the period covered by the grant.

'(3) Conversion. - If the Secretary determines that a project is no longer needed for use as supportive housing and approves the use of the project for the direct benefit of low-income persons pursuant to a request for such use by the recipient operating the project, the Secretary may authorize the recipient to convert the project to such use.

'(c) Repayment of Assistance and Prevention of Undue Benefits .

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'(1) Repayment . - The Secretary shall require recipients to repay 100 percent of any assistance received under subsection (a) (1) or (2) if the project ceases to be used as supportive housing within 10 years after the project is placed in service. If such project is used as supportive housing for more than 10 years, the Secretary shall reduce the percentage of the amount required to be repaid by 10 percentage points for each year in excess of 10 that the project is used as supportive housing.

'(2) Prevention of undue benefits. - Except as provided in paragraph (3), upon any sale or other disposition of a project assisted under subsection (a) (1) or (2) occurring before the expiration of the 20-year period beginning on the date that the project is placed in service, the recipient shall comply with such terms and conditions as the Secretary may prescribe to prevent the recipient from unduly benefiting from such sale or disposition.

'(3) Exception. - A recipient shall not be required to comply with the terms and conditions prescribed under paragraphs (1) and (2) if the sale or disposition of the project results in the use of the project for the direct benefit of very low-income persons or if all of the proceeds are used to provide supportive housing meeting the requirements of this subtitle.

'SEC. 424. SUPPORTIVE HOUSING.

'(a) In General. - Housing providing supportive services for homeless individuals shall be considered supportive housing for purposes of this subtitle if -

'(1) the housing is safe and sanitary and meets any applicable State and local housing codes and licensing requirements in the jurisdiction in which the housing is located; and

'(2) the housing -

'(A) is transitional housing;

'(B) is permanent housing for homeless persons with disabilities; or

'(C) is, or is part of, a particularly innovative project for, or alternative methods of, meeting the immediate and long-term needs of homeless individuals and families.

'(b) Transitional Housing. - For purposes of this section, the term 'transitional housing' means housing, the purpose of which is to facilitate the movement of homeless individuals and families to permanent housing within 24 months or such longer period as the Secretary determines necessary. The Secretary may deny assistance for housing based on a violation of this subsection only if the Secretary determines that a substantial number of homeless individuals or families have remained in the housing longer than such period.

'(c) Permanent Housing for Homeless Persons With Disabilities. - For purposes of this section, the term 'permanent housing for homeless persons with disabilities' means community-based housing for homeless persons with disabilities that provides long-term housing and supportive services for not more than -

'(1) 8 such persons in a single structure or contiguous structures;

'(2) 16 such persons, but only if not more than 20 percent of the units in a structure are designated for such persons; or

'(3) more than 16 persons if the applicant demonstrates that local market conditions dictate the development of a large project and such development will achieve the neighborhood integration objectives of the program within the context of the affected community.

'(d) Single Room Occupancy Dwellings. - A project may provide supportive housing or supportive services in dwelling units that do not contain bathrooms or kitchen facilities and are appropriate for use as supportive housing or in projects containing some or all such dwelling units.

'SEC. 425. SUPPORTIVE SERVICES.

'(a) In General. - To the extent practicable, each project shall provide supportive services for residents of the project and homeless persons using the project, which may be designed by the recipient or participants.

'(b) Requirements. - Supportive services provided in connection with a project shall address the special needs of individuals (such as homeless persons with disabilities and homeless families with children) intended to be served by a project.

'(c) Services. - Supportive services may include such activities as (A) establishing and operating a child care services program for homeless families, (B) establishing and operating an employment assistance program, (C) providing outpatient health services, food, and case management, (D) providing assistance in obtaining permanent housing, employment counseling, and nutritional counseling, (E) providing security arrangements necessary for the protection of residents of supportive housing and for homeless persons using the housing or project, (F) providing assistance in obtaining other Federal, State, and local assistance available for such residents (including mental health benefits, employment counseling, and medical assistance, but not including major medical equipment), and (G) providing other appropriate services.

'(d) Provision of Services. - Services provided pursuant to this section may be provided directly by the recipient or by contract with other public or private service providers. Such services may be provided to homeless individuals who do not reside in supportive housing.

'(e) Coordination With Secretary of Health and Human Services. -

'(1) Approval . - Promptly upon receipt of any application for assistance under this subtitle that includes the provision of outpatient health services, the Secretary of Housing and Urban Development shall consult with the Secretary of Health and Human Services with respect to the proposed outpatient health services. If, within 45 days of such consultation, the Secretary of Health and Human Services determines that the proposal for delivery of the outpatient health services does not meet guidelines for determining the appropriateness of such proposed services, the Secretary of Housing and Urban Development may require resubmission of the application, and the Secretary of Housing and Urban Development may not approve such portion of the application unless and until such portion has been resubmitted in a form that the Secretary of Health and Human Services determines meets such guidelines.

'(2) Guidelines . - The Secretary of Housing and Urban Development and the Secretary of Health and Human Services shall jointly establish guidelines for determining the appropriateness of proposed outpatient health services under this section. Such guidelines shall include any provisions necessary to enable the

Secretary of Housing and Urban Development to meet the time limits under this subtitle for the final selection of applications for assistance.

'SEC. 426. PROGRAM REQUIREMENTS.

'(a) Applications . -

'(1) Form and procedure. - Applications for assistance under this subtitle shall be submitted by applicants in the form and in accordance with the procedures established by the Secretary. The Secretary may not give preference or priority to any application on the basis that the application was submitted by any particular type of applicant entity.

'(2) Contents. - The Secretary shall require that applications contain at a minimum -

'(A) a description of the proposed project, including the activities to be undertaken;

'(B) a description of the size and characteristics of the population that would occupy the supportive housing assisted under this subtitle;

'(C) a description of the public and private resources that are expected to be made available for the project;

'(D) in the case of projects assisted under section 423(a) (1) or (2), assurances satisfactory to the Secretary that the project will be operated for not less than 20 years for the purpose specified in the application;

'(E) in the case of projects assisted under this title that do not receive assistance under such sections, annual assurances during the period specified in the application that the project will be operated for the purpose specified in the application for such period;

'(F) a certification from the public official responsible for submitting the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act for the State or unit of general local government within which the project is located that the proposed project is consistent with the approved housing strategy of such State or unit of general local government; and

'(G) a certification that the applicant will comply with the requirements of the Fair Housing Act, title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and will affirmatively further fair housing.

'(3) Site control. - The Secretary shall require that each application include reasonable assurances that the applicant will own or have control of a site for the proposed project not later than the expiration of the 12-month period beginning upon notification of an award for grant assistance, unless the application proposes providing supportive housing assisted under section 423(a)(3) or housing that will eventually be owned or controlled by the families and individuals served. An applicant may obtain ownership or control of a suitable site different from the site specified in the application. If any recipient fails to obtain ownership or control of the site within 12 months after notification of an award for grant assistance, the grant shall be recaptured and reallocated under this subtitle.

'(b) Selection Criteria . - The Secretary shall select applicants approved by the Secretary as to financial responsibility to receive assistance under this subtitle by a national competition based on criteria established by the Secretary, which shall include

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'(1) the ability of the applicant to develop and operate a project;

'(2) the innovative quality of the proposal in providing a project;

'(3) the need for the type of project proposed by the applicant in the area to be served;

'(4) the extent to which the amount of assistance to be provided under this subtitle will be supplemented with resources from other public and private sources;

'(5) the cost-effectiveness of the proposed project;

'(6) the extent to which the applicant has demonstrated coordination with other Federal, State, local, private and other entities serving homeless persons in the planning and operation of the project, to the extent practicable; and

'(7) such other factors as the Secretary determines to be appropriate to carry out this subtitle in an effective and efficient manner.

'(c) Required Agreements . - The Secretary may not provide assistance for any project under this subtitle unless the applicant agrees -

'(1) to operate the proposed project in accordance with the provisions of this subtitle;

'(2) to conduct an ongoing assessment of the supportive services required by homeless individuals served by the project

and the availability of such services to such individuals;

'(3) to provide such residential supervision as the Secretary determines is necessary to facilitate the adequate provision of supportive services to the residents and users of the project;

'(4) to monitor and report to the Secretary on the progress of the project;

'(5) to develop and implement procedures to ensure (A) the confidentiality of records pertaining to any individual provided family violence prevention or treatment services through any project assisted under this subtitle, and (B) that the address or location of any family violence shelter project assisted under this subtitle will not be made public, except with written authorization of the person or persons responsible for the operation of such project;

'(6) to the maximum extent practicable, to involve homeless individuals and families, through employment, volunteer services, or otherwise, in constructing, rehabilitating, maintaining, and operating the project assisted under this subtitle and in providing supportive services for the project; and

'(7) to comply with such other terms and conditions as the Secretary may establish to carry out this subtitle in an effective and efficient manner.

'(d) Occupancy Charge . - Each homeless individual or family residing in a project providing supportive housing may be required to pay an occupancy charge in an amount determined by the recipient providing the project, which may not exceed the amount determined under section 3(a) of the United States Housing Act of 1937. Occupancy charges paid may be reserved, in whole or in part, to assist residents in moving to permanent housing.

'(e) Matching Funding . - Each recipient shall be required to supplement the amount of assistance provided under paragraphs (1) and (2) of section 423(a) with an equal amount of funds from sources other than this subtitle.

'(f) Flood Protection Standards . - Flood protection standards applicable to housing acquired, rehabilitated, constructed, or assisted under this subtitle shall be no more restrictive than the standards applicable under Executive Order No. 11988 (May 24, 1977) to the other programs under this title.

'(g) Participation of Homeless Individuals. - The Secretary shall, by regulation, require each recipient to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policymaking entity of the recipient, to the extent that such entity considers and makes policies and decisions regarding any

project, supportive services, or assistance provided under this subtitle. The Secretary may grant waivers to applicants unable to meet the requirement under the preceding sentence if the applicant agrees to otherwise consult with homeless or formerly homeless individuals in considering and making such policies and decisions.

'(h) Limitation on Use of Funds . - No assistance received under this subtitle (or any State or local government funds used to supplement such assistance) may be used to replace other State or local funds previously used, or designated for use, to assist homeless persons.

'(i) Limitation on Administrative Expenses . - No recipient may use more than 5 percent of a grant received under this subtitle for administrative purposes.

'(j) Termination of Assistance. - If an individual or family who receives assistance under this subtitle (not including residents of an emergency shelter) from a recipient violates program requirements, the recipient may terminate assistance in accordance with a formal process established by the recipient that recognizes the rights of individuals receiving such assistance to due process of law, which may include a hearing.

'SEC. 427. REGULATIONS.

'Not later than the expiration of the 90-day period beginning on the date of the enactment of the Housing and Community Development Act of 1992, the Secretary shall issue interim regulations to carry out this subtitle, which shall take effect upon issuance. The Secretary shall issue final regulations to carry out this subtitle after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). The duration of the period for public comment shall not be less than 60 days, and the final regulations shall be issued not later than the expiration of the 60-day period beginning upon the conclusion of the comment period and shall take effect upon issuance.

'SEC. 428. REPORTS TO CONGRESS.

'The Secretary shall submit a report to the Congress annually, summarizing the activities carried out under this subtitle and setting forth the findings, conclusions, and recommendations of the Secretary as a result of the activities. The report shall be submitted not later than 4 months after the end of each fiscal year (except that, in the case of fiscal year 1993, the report shall be submitted not later than 6 months after the end of the fiscal year).

'SEC. 429. AUTHORIZATION OF APPROPRIATIONS.

'(a) Authorization of Appropriations . - There are authorized to

be appropriated to carry out this subtitle \$204,000,000 for fiscal year 1993 and \$212,568,000 for fiscal year 1994.

'(b) Set-Asides . - Of any amounts appropriated to carry out this subtitle -

'(1) not less than 25 percent shall be allocated to projects designed primarily to serve homeless families with children;

'(2) not less than 25 percent shall be allocated to projects designed primarily to serve homeless persons with disabilities; and

'(3) not less than 10 percent shall be allocated for use only for providing supportive services under sections 423(a)(5) and 425, not provided in conjunction with supportive housing.

'(c) Reallocations . - If, following the receipt of applications for the final funding round under this subtitle for any fiscal year, any amount set aside for assistance pursuant to subsection (b) will not be required to fund the approvable applications submitted for such assistance, the Secretary shall reallocate such amount for other assistance pursuant to this subtitle.'

(b) Transition. - Notwithstanding the amendment made by subsection (a), before the date of the effectiveness of the regulations issued under section 427 of the Stewart B. McKinney Homeless Assistance Act (as amended by subsection (a) of this section) the Secretary may make grants under the provisions of subtitles C and D of the Stewart B. McKinney Homeless Assistance Act, as in effect immediately before the enactment of this Act. Any grants made before such effective date shall be subject to the provisions of such subtitles.

SEC. 1404. SAFE HAVENS FOR HOMELESS INDIVIDUALS DEMONSTRATION PROGRAM.

Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361 et seq.) is amended by inserting after subtitle C (as added by section 1003(a) of this Act) the following new subtitle:

'SUBTITLE D - SAFE HAVENS FOR HOMELESS INDIVIDUALS DEMONSTRATION PROGRAM

'SEC. 431. ESTABLISHMENT OF DEMONSTRATION.

'(a) In General. - The Secretary may make grants to applicants to demonstrate the desirability and feasibility of providing very low-cost housing, to be known as safe havens, to homeless persons who, at the time, are unwilling or unable to participate in mental health treatment programs or to receive other supportive services.

'(b) Purposes. - The demonstration program carried out under this subtitle shall demonstrate -

'(1) whether and on what basis eligible persons choose to reside in safe havens;

'(2) the extent to which, after a period of residence in a safe haven, residents are willing to participate in mental health treatment programs, substance abuse treatment, or other treatment programs and to move toward a more traditional form of permanent housing and the availability in the community of such permanent housing and treatment programs;

'(3) whether safe havens are cost-effective in comparison with other alternatives for eligible persons; and

'(4) the various ways in which safe havens may be used to provide accommodations and low-demand services and referrals for eligible persons.

'SEC. 432. DEFINITIONS.

'For purposes of this subtitle:

'(1) Applicant. - The term 'applicant' means a nonprofit corporation, public nonprofit organization, State, or unit of general local government.

'(2) Eligible person. - The term 'eligible person' means an individual who -

'(A) is seriously mentally ill and resides primarily in a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings, which may include occasional residence in an emergency shelter; and

'(B) is currently unwilling or unable to participate in mental health or substance abuse treatment programs or to receive other supportive services.

Such term does not include a person whose sole impairment is substance abuse.

'(3) Facility. - The term 'facility' means a structure or a clearly identifiable portion of a structure that is assisted under this subtitle.

'(4) Low-demand services and referrals. - The term 'low-demand services and referrals' means the provision of health care, mental health, substance abuse, and other supportive services and referrals for services in a noncoercive manner, which may include medication management, education, counseling, job training, and assistance in obtaining entitlement benefits and in obtaining other supportive services including mental health treatment and substance abuse treatment.

'(5) Nonprofit organization. - The term 'nonprofit organization' means an organization -

'(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

'(B) that has a voluntary board;

'(C) that has an accounting system, or has designated a fiscal agent in accordance with requirements established by the Secretary; and

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

'(6) Operating costs. - The term 'operating costs' means expenses incurred by a recipient operating a safe haven under this subtitle with respect to -

'(A) the operation of the facility, including the cost of 24-hour management, and maintenance, repair, and security;

'(B) utilities, fuel, furnishings, and equipment for such housing; and

'(C) other reasonable costs necessary to the operation of the facility, which may include appropriate outreach and drop-in services.

'(7) Recipient. - The term 'recipient' means an applicant that receives assistance under this subtitle.

'(8) Safe haven. - The term 'safe haven' means a facility -

'(A) that provides 24-hour residence for eligible persons who may reside for an unspecified duration;

'(B) that provides private or semiprivate accommodations;

'(C) that may provide for the common use of kitchen facilities, dining rooms, and bathrooms;

'(D) that may provide supportive services to eligible persons who are not residents on a drop-in basis; and

'(E) in which overnight occupancy is limited to no more than 25 persons.

'(9) Secretary. - The term 'Secretary' means the Secretary of Housing and Urban Development.

'(10) Seriously mentally ill. - The term 'seriously mentally ill' means having a severe and persistent mental or emotional

impairment that seriously limits a person's ability to live independently.

'(11) State. - The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and Palau.

'(12) Unit of general local government. - The term 'unit of general local government' has the meaning given the term in section 102(a) of the Housing and Community Development Act of 1974.

'SEC. 433. PROGRAM ASSISTANCE.

'(a) In General. -

'(1) Eligible activities. - The Secretary may provide assistance with respect to a program under this subtitle for the following activities:

'(A) The construction of a structure for use in providing a safe haven or the acquisition, rehabilitation, or acquisition and rehabilitation of an existing structure for use in providing a safe haven.

'(B) The leasing of an existing structure for use in providing a safe haven.

'(C) To cover the operating costs of a safe haven.

'(D) To cover the costs of administering a safe haven program, not to exceed 10 percent of the amounts made available for activities under subparagraphs (A) through (C).

'(E) Outreach activities designed to inform eligible persons about and attract them to a safe haven program.

'(F) The provision of low-demand services and referrals for residents of a safe haven, except that grants under this subtitle may not be used to cover more than 50 percent of the cost of such services and referrals.

'(G) Other activities that further the purposes of this subtitle, including the modification of an existing facility to use a portion of the facility to provide with a safe haven.

'(2) Period of assistance. - Assistance may be provided to any safe haven program for activities under subparagraphs (B) through (F) of paragraph (1) for a period of not more than 5 years, except that the Secretary may, upon application by the recipient, provide assistance for an additional period of time,

not to exceed 5 years, subject to -

'(A) the determination of the Secretary that the performance of the recipient under this subtitle is satisfactory; and

'(B) the availability of appropriations for such purpose.

'(3) Limit on amount. - The total amount of assistance provided to any recipient under this subsection may not exceed \$400,000 in any 5-year period.

'(b) Matching Funding. -

'(1) In general. - Each recipient shall supplement a grant provided under this subtitle with an equal amount of funds from sources other than this subtitle. Each recipient shall certify to the Secretary that it has complied with this paragraph, and shall include with the certification a description of the sources and amounts of such supplemental funds.

'(2) Calculation of amounts. - In calculating the amount of supplemental funds required under paragraph (1), a recipient may include any funds derived from another source, the value of any lease on a building, any salary paid to staff to carry out the program of the recipient, and the value of the time and services contributed by volunteers, at a rate determined by the Secretary, to carry out the program of the recipient.

'SEC. 434. PROGRAM REQUIREMENTS.

'(a) Applications. - Applications for assistance under this subtitle shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish, and such applications shall contain at a minimum -

'(1) a description of the proposed facility;

'(2) a description of the number and characteristics of the eligible persons expected to occupy the safe haven;

'(3) a plan for identifying and selecting eligible persons to participate;

'(4) a program plan, containing a description of the method -

'(A) of operation of the facility, including staffing plans and facility rules;

'(B) by which the applicant will secure supportive services for residents of the safe haven;

'(C) by which the applicant will monitor the willingness of residents to engage in treatment programs and other

supportive services;

'(D) by which access to supportive services will be secured for residents willing to use them;

'(E) by which access to permanent housing with appropriate services, such as the Shelter Plus Care program under subtitle F, will be sought after residents are stabilized; and

'(F) by which the applicant will conduct outreach activities to facilitate the entrance of eligible persons into the safe haven;

'(5) a plan to ensure that adequate security precautions are taken to make the facility safe for the residents;

'(6) an estimate of program costs;

'(7) a description of the resources that are expected to be made available in accordance with section 433(b);

'(8) assurances satisfactory to the Secretary that the facility will have 24-hour, on-site management, if practicable;

'(9) assurances satisfactory to the Secretary that the facility will be operated for the purpose specified in the application for each year in which assistance is provided under this subtitle;

'(10) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act for the State or unit of general local government within which the facility is located that the proposed activities are consistent with the approved housing strategy for such jurisdiction;

'(11) a certification that the applicant will comply with the requirements of the Fair Housing Act, title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and will affirmatively further fair housing;

'(12) a plan for program evaluation based on information that is collected on a periodic basis regarding the characteristics of the residents, including their movement in and out of the safe haven, their willingness to use low-demand services and referrals, the availability and quality of services used, and the movement of residents toward a more traditional form of permanent housing after a period of residency in the safe haven; and

'(13) such other information as the Secretary may require.

'(b) Site Control. - The Secretary shall require that an applicant furnish reasonable assurances that the applicant will have control of a site for the proposed facility not later than 1 year after notification of an award of assistance under this subtitle. If an applicant fails to obtain control of the site within this period, the grant shall be recaptured by the Secretary and reallocated for use under this subtitle.

'(c) Selection Criteria. - The Secretary shall establish selection criteria for selecting applicants to receive assistance under this subtitle pursuant to a national competition, which shall include -

'(1) the extent to which the applicant demonstrates the ability to develop and operate a safe haven;

'(2) the extent to which there is a need for a safe haven in the jurisdiction in which the facility will be located;

'(3) the extent to which the program would link eligible persons to permanent housing and supportive services after stabilization in a safe haven;

'(4) the cost-effectiveness of the proposed program;

'(5) providing for geographical diversity among applicants selected to receive assistance;

'(6) the extent to which the safe haven would meet the need of the eligible persons proposed to be served by the safe haven; and

'(7) such other factors as the Secretary determines to be appropriate for purposes of carrying out the program established under this subtitle in an effective and efficient manner.

'(d) Required Agreements. - The Secretary may not provide assistance under this subtitle for any safe haven program unless the applicant agrees -

'(1) to develop and operate the proposed facility as a safe haven in accordance with the provisions of this subtitle;

'(2) to ensure that the facility meets any standards of habitability established by the Secretary;

'(3) to provide low-demand services and referrals for the residents of the safe haven;

'(4) to prohibit the use of illegal drugs and alcohol in the facility;

'(5) to ensure that adequate security precautions are taken to make the facility safe for the residents;

'(6) not to establish limitations on the duration of residency;

'(7) not to require participation in low-demand services and referrals as a condition of occupancy;

'(8) to monitor and report to the Secretary on progress in carrying out the safe haven program;

'(9) to the maximum extent practicable, to involve eligible persons, through employment, volunteer services, or otherwise, in renovating, maintaining, and operating facilities assisted under this subtitle and in providing services assisted under this subtitle;

'(10) to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policymaking entity of such recipient (in accordance with regulations that the Secretary shall issue), to the extent that such entity considers and makes policies and decisions regarding any facility or services assisted under this subtitle, or to otherwise provide for the consultation and participation of such an individual in considering and making such policies and decisions; and

'(11) to comply with such other terms and conditions as the Secretary may establish for purposes of carrying out the program established under this subtitle in an effective and efficient manner.

The Secretary may waive the applicability of the requirement under paragraph (10) for an applicant that is unable to meet such requirement, if the applicant agrees to otherwise consult with homeless or formerly homeless individuals in considering and making such policies and decisions.

'SEC. 435. OCCUPANCY CHARGE.

'Each eligible person who resides in a facility assisted under this subtitle shall pay an occupancy charge in an amount determined by the recipient, but not to exceed the amount determined under section 3(a) of the United States Housing Act of 1937. The occupancy charge may be phased in or reduced based on the type of living accommodations provided. The recipient may waive occupancy charges for limited periods of time for residents unwilling or unable to pay them. Occupancy charges paid may be reserved to assist residents in moving to a more traditional form of permanent housing.

'SEC. 436. TERMINATION OF ASSISTANCE.

'If an eligible person who resides in a safe haven or who receives low-demand services or referrals endangers the safety, welfare, or health of other residents, or repeatedly violates a condition of occupancy contained in the rules for the safe haven (as set forth in the application submitted under this subtitle), the recipient may terminate such residency or assistance in accordance with a formal process established by the rules for the safe haven, which may include a hearing.

'SEC. 437. EVALUATION AND REPORT.

'The Secretary shall conduct an evaluation of the safe haven demonstration program under this subtitle and shall submit a report to the Congress, not later than December 31, 1994, which shall set forth the findings of the Secretary as a result of the evaluation.

'SEC. 438. REGULATIONS.

'(a) In General. - The Secretary shall, by notice published in the Federal Register, establish such requirements as may be necessary to carry out the amendments made by this subtitle.

'(b) Consultation. - In establishing requirements to carry out the provisions of this subtitle, and in considering applications under this subtitle, the Secretary shall consult with officials of the appropriate agencies of the Department of Health and Human Services and with representative provider and public interest groups.

'(c) Eligibility for SSI and Medicaid. -

'(1) Supplemental security income. - All provisions of the Supplemental Security Income program under title XVI of the Social Security Act and of State programs in supplementation thereof shall apply to participants in the safe havens demonstration program under this subtitle, except that no individual living in a safe haven shall -

'(A) be considered an inmate of a public institution (as provided in section 1611(e) (1) (A) of such Act); or

'(B) have benefits under such title XVI reduced or terminated because of the receipt of support and maintenance (as provided in section 1612(a) (2) (A) of such Act), to the extent such support and maintenance is received as a result of participation in the safe havens demonstration program.

'(2) Medicaid. - A safe haven shall not be considered a hospital, nursing facility, institution for mental disease as defined under section 1905(i) of the Social Security Act, or any other inpatient facility, for purposes of the program under title XIX of such Act, and individuals shall not be denied eligibility for medicaid because of residency in such residence.

'SEC. 439. AUTHORIZATION OF APPROPRIATIONS.

'There are authorized to be appropriated to carry out this subtitle \$62,000,000 for fiscal year 1993 and \$64,604,000 for fiscal year 1994.'

SEC. 1405. SECTION 8 ASSISTANCE FOR SINGLE ROOM OCCUPANCY DWELLINGS.

(a) Budget Authority. - Section 441(a) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11401(a)) is amended to read as follows:

'(a) Increase in Budget Authority. - The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(e) (2) of such Act is authorized to be increased by \$105,000,000 on or after October 1, 1992, and by \$109,410,000 on or after October 1, 1993.'

(b) Eligibility of Nonprofit Organizations . - Section 441 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11401) is amended -

(1) in subsection (b), by inserting before the period at the end the following: ', and except that the Secretary may provide amounts available under this section to private nonprofit organizations that submit applications for such assistance that are approved by the Secretary';

(2) in subsection (f), by striking 'public housing agency' each place it appears and inserting 'approved applicant'; and

(3) by adding at the end the following new subsection:

'(j) Definitions . - For purposes of this section -

'(1) the term 'applicant' means a public housing agency, Indian housing authority, or private nonprofit organization that applies for assistance under this section; and

'(2) the term 'private nonprofit organization' means an organization -

'(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

'(B) that has a voluntary board;

'(C) that has an accounting system, or has designated a fiscal agent in accordance with requirements established by the Secretary; and

'(D) that practices nondiscrimination in the provision of

assistance.'

(c) Employment of Homeless Individuals. - Section 441(c) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11401(c)) is amended -

(1) in paragraph (3), by striking 'and' at the end;

(2) in paragraph (4), by striking the period at the end and inserting '; and';

(3) by inserting after paragraph (4) the following new paragraph:

'(5) assurances satisfactory to the Secretary that the applicant, to the maximum extent practicable, will involve homeless individuals and families, through employment, volunteer services, or otherwise, in rehabilitating and operating facilities assisted under this section and in providing services for occupants of such facilities.'

(d) Participation of Homeless Individuals and Termination of Assistance. - Section 441 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11401) is amended by adding after subsection (g) the following new subsections:

'(h) Participation of Homeless Individuals. - The Secretary shall, by regulation, require each approved applicant receiving assistance under this section that is not a public housing agency or Indian housing authority to provide for the participation of not less than one homeless individual or former homeless individual on the board of directors or other equivalent policymaking entity of such applicant, to the extent that such entity considers and makes policies and decisions regarding the rehabilitation of any housing with assistance under this section. The Secretary may grant waivers to approved applicants unable to meet the requirements under the preceding sentence if the applicant agrees to otherwise consult with homeless or formerly homeless individuals in considering and making such policies and decisions.

'(i) Termination of Assistance. - If an individual or family who receives assistance under this section violates program requirements, the recipient of amounts made available under this section may terminate assistance in accordance with a formal process established by the recipient that recognizes the rights of individuals receiving such assistance to due process of law.'

(e) Report . - The Secretary of Housing and Urban Development shall submit a report to the Congress, not later than the expiration of the 180-day period beginning on the date of the enactment of this Act, describing the extent to which amounts appropriated to provide assistance under section 441 of the Stewart B. McKinney Homeless Assistance Act since the enactment of such section have been obligated and expended.

SEC. 1406. SHELTER PLUS CARE PROGRAM.

(a) Authorization of Appropriations. - Section 459 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403h) is amended -

(1) by striking subsection (a) and inserting the following new subsection:

'(a) In General . - For purposes of the housing programs under this subtitle, there are authorized to be appropriated \$266,550,000 for fiscal year 1993 and \$277,745,100 for fiscal year 1994. Of any amount appropriated in any fiscal year to carry out this subtitle -

'(1) not less than 10 percent shall be available only for carrying out part II of this subtitle;

'(2) not less than 10 percent shall be available only for carrying out part III of this subtitle;

'(3) not less than 10 percent shall be available only for carrying out part IV of this subtitle; and

'(4) not less than 10 percent shall be available only for carrying out part V of this subtitle.';

(2) by striking subsections (b) and (c); and

(3) by redesignating subsection (d) as subsection (b).

(b) Participation of Homeless Individuals. - Section 455 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403d) is amended by adding at the end the following new subsection:

'(c) Participation of Homeless Individuals. - The Secretary shall, by regulation, require each recipient to provide for the consultation and participation of not less than one homeless individual or former homeless individual on the board of directors or other equivalent policymaking entity of the recipient, to the extent that such entity considers and makes policies and decisions regarding any housing assisted under this subtitle or services for such housing. The Secretary may grant waivers to recipients unable to meet the requirement under the preceding sentence if the recipient agrees to otherwise consult with homeless or formerly homeless individuals in considering and making such policies and decisions.

(c) Employment of Homeless Individuals. - Section 456 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403e) is amended -

(1) in paragraph (3), by striking 'and' at the end;

(2) in paragraph (4), by striking the period at the end and

inserting '; and'; and

(3) by adding at the end the following new paragraph:

'(5) to the maximum extent practicable, to involve homeless individuals and families, through employment volunteer services, or otherwise, in constructing or rehabilitating housing assisted under this subtitle and in providing services required under this subtitle.'

(d) Redesignation and Amendment of Part II Provisions. - Subtitle F of title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403 et seq.) is amended as follows:

(1) Part ii heading. - By amending the heading for part II to read as follows:

'PART II - TENANT-BASED RENTAL ASSISTANCE'

(2) Parts ii and iv. - By striking parts III and IV.

(3) Purpose. - By striking section 461 and inserting the following new section:

'SEC. 471. AUTHORITY.

'The Secretary may use amounts made available under section 463 to provide tenant-based rental housing assistance for eligible persons in accordance with this part.'

(4) Housing assistance. - By redesignating section 462 as section 472 and amending such section by striking 'Where' and inserting the following: 'An eligible person on behalf of whom assistance is provided under this part shall select the unit in which such person will live using rental assistance under this part; except that where'.

(5) Amount of assistance. - By redesignating section 463 as section 473 and amending such section by striking the last sentence.

(e) Transfer, Redesignation, and Amendment of General Provisions. - Subtitle F of title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403 et seq.) is amended as follows:

(1) Termination of assistance. - By redesignating section 457 as section 461.

(2) Definitions. - By redesignating section 458 as section 462 and amending such section -

(A) by striking paragraph (2) and inserting the following new paragraph:

'(2) The term 'applicant' means a State, unit of general local government, Indian tribe, or public housing agency.'; and

(B) in paragraph (5), by inserting before the period at the end ', and includes community mental health centers established as public nonprofit organizations'.

(3) Authorization of appropriations. - By redesignating section 459 (as amended by subsection (a) of this section) as section 463.

(4) Housing standards and rent reasonableness. - By redesignating section 464 as section 457, transferring and inserting such section after section 456, and amending subsection (a)(1) of such section by striking '(or if no such agency exists in the applicable area, an entity selected by the Secretary) '.

(5) Tenant rent and administrative fees. - By transferring and inserting sections 465 and 466 after section 457 (as so redesignated by paragraph (4) of this subsection) and redesignating such sections as sections 458 and 459, respectively.

(6) Occupancy. - By inserting after section 459 (as so redesignated by paragraph (5) of this subsection) the following new section:

'SEC. 460. OCCUPANCY.

'(a) Occupancy Agreement. - The occupancy agreement between a tenant and an owner of a dwelling unit assisted under this subtitle shall be for at least one month.

'(b) Vacancy Payments. - If an eligible person vacates a dwelling unit assisted under this subtitle before the expiration of the occupancy agreement, no assistance payment may be made with respect to the unit after the month that follows the month during which the unit was vacated, unless it is occupied by another eligible person.'.

(f) Project- and Sponsor-Based Rental Assistance and Single Room Occupancy Dwellings. - Subtitle F of title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403 et seq.), as amended by the preceding provisions of this section, is further amended by inserting at the end the following new parts:

'PART III - PROJECT-BASED RENTAL ASSISTANCE

'SEC. 476. AUTHORITY.

'The Secretary may use amounts made available under section 463 to provide project-based rental housing assistance for eligible persons in accordance with this part.

'SEC. 477. HOUSING ASSISTANCE.

'Assistance under this part shall be provided pursuant to a contract between the recipient and an owner of an existing structure. The contract shall provide that rental assistance payments shall be made to the owner and that the units in the structure shall be occupied by eligible persons for not less than the term of the contract.

'SEC. 478. TERM OF CONTRACT AND AMOUNT OF ASSISTANCE.

'(a) Term of Contract . - Each contract with a recipient for assistance under this part shall be for a term of 5 years, and the owner shall have an option to renew the assistance for an additional 5-year term, subject to the availability of amounts provided in appropriation Acts; except that if an expenditure of at least \$3,000 for each unit (including its prorated share of work on common areas or systems) is required to make the structure decent, safe, and sanitary, and the owner agrees to carry out the rehabilitation with resources other than assistance under this subtitle within 12 months of notification of grant approval, the contract shall be for a term of 10 years.

'(b) Amount of Assistance . - Each contract shall provide that the recipient shall receive aggregate amounts not to exceed the appropriate existing housing fair market rental under section 8(c)(1) of the United States Housing Act of 1937 in effect at the time the application is approved. Any amounts not needed for a year may be used to increase the amount available in subsequent years.

'PART IV - SPONSOR-BASED RENTAL ASSISTANCE

'SEC. 481. AUTHORITY.

'The Secretary may use amounts made available under section 463 to provide sponsor-based rental assistance for eligible persons in accordance with this part.

'SEC. 482. HOUSING ASSISTANCE.

'Assistance under this part shall be provided pursuant to a contract between the recipient and a private nonprofit sponsor that owns or leases dwelling units. The contract shall provide that rental assistance payments shall be made to the sponsor and that such assisted units shall be occupied by eligible persons.

'SEC. 483. TERM OF CONTRACT AND AMOUNT OF ASSISTANCE.

'(a) Term of Contract . - The contract with a recipient of assistance under this part shall be for a term of 5 years.

'(b) Amount of Assistance . - Each contract shall provide that

the recipient shall receive aggregate amounts not to exceed the appropriate existing housing fair market rental under section 8(c)(1) of the United States Housing Act of 1937 in effect at the time the application is approved. Any amounts not needed for a year may be used to increase the amount available in subsequent years.

'PART V - SECTION 8 MODERATE REHABILITATION ASSISTANCE FOR
SINGLE-ROOM OCCUPANCY DWELLINGS

'SEC. 486. AUTHORITY.

'The Secretary may use amounts made available under section 463 in connection with the moderate rehabilitation of single room occupancy housing described in section 8(n) of the United States Housing Act of 1937 for occupancy by eligible persons in accordance with this part. Amounts available under section 463 may be used in connection with the moderate rehabilitation of efficiency units if the building owner agrees to pay the additional cost of rehabilitating and operating the efficiency units.

'SEC. 487. FIRE AND SAFETY IMPROVEMENTS.

'Each contract for housing assistance payments entered into under this part shall require the installation of a sprinkler system that protects all major spaces, hard-wired smoke detectors, and any other fire safety improvements as may be required by State or local law. For purposes of this section, the term 'major spaces' means hallways, large common areas, and other areas specified in local fire, building, or safety codes.

'SEC. 488. CONTRACT REQUIREMENTS.

'Each contract for annual contributions entered into by the Secretary with a public housing agency to obligate the authority made available under section 463 for use under this part shall -

'(1) commit the Secretary to make the authority available to the public housing agency for an aggregate period of 10 years, and require that any amendments increasing the authority shall be available for the remainder of such 10-year period;

'(2) provide the Secretary with the option to renew the contract for an additional period of 10 years, subject to the availability of authority; and

'(3) provide that, notwithstanding any other provision of law, first priority for occupancy of housing rehabilitated under this part shall be given to homeless persons.'

(g) Technical and Conforming Amendments. - Subtitle F of title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403 et seq.), as amended by the preceding provisions of this section, is further amended -

(1) by striking the heading for part I and inserting the following new heading:

'PART I - GENERAL REQUIREMENTS';

(2) in section 452(a), by striking 'and IV' and inserting 'IV, and V'; and

(3) in section 454(b) -

(A) in paragraph (1), by striking 'or IV' and inserting 'IV, or V';

(B) in paragraph (8), by striking 'or IV' and inserting 'IV, or V';

(C) in paragraph (10)(A), by inserting ', or III' after 'part II'; and

(D) in paragraph (11) -

(i) by striking 'part III' and inserting 'part V';
and

(ii) by striking 'rehabilitation and'.

SEC. 1407. FHA SINGLE FAMILY PROPERTY DISPOSITION.

(a) 30-Day Marketing Period. - Except as provided in subsection (b), in carrying out the program for disposition of single family properties acquired by the Department of Housing and Urban Development for use by the homeless under subpart E of part 291 of title 24, Code of Federal Regulations, the Secretary of Housing and Urban Development may not make any eligible property available for lease under such program that has not been listed and made generally available for sale by the Secretary for a period of at least 30 days.

(b) Exception. - With respect to any area for which the Secretary determines that there will not be a sufficient quantity of decent, safe, and sanitary affordable housing available for use under the program referred to in subsection (a) if eligible properties located in the area are made generally available for the 30-day period under subsection (a), the Secretary shall reserve for disposition under such program not more than 10 percent of the total number of eligible properties located in the area and shall not market such properties as provided under subsection (a). The Secretary shall consult with the unit of general local government for an area in determining which properties should be reserved for disposition under this subsection.

(c) State and Local Taxes . -

(1) Requirement to provide information upon request . - In carrying out the program referred to in subsection (a), the Secretary of Housing and Urban Development shall provide the information described in paragraph (2) to any lessee or applicant under the program who requests such information.

(2) Content . - The information referred in paragraph (1) shall identify and describe any exemptions or reductions relating to payment of property taxes under State and local laws (for the jurisdictions for which the lessee or applicant requests such information) that may be applicable to lessees or applicants, or to properties leased, under such program.

(3) Exemption from escrow requirement . - To the extent any lessee of a property under the program referred to in subsection (a) is provided an exemption from any requirement to pay State or local taxes, or a reduction in the amount of any such taxes, the Secretary may not require the lessee to pay or deposit in any escrow account amounts for the payment of such taxes.

SEC. 1408. RURAL HOMELESSNESS GRANT PROGRAM.

Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361 et seq.) is amended by adding at the end the following new subtitle:

'SUBTITLE G - RURAL HOMELESS HOUSING ASSISTANCE

'SEC. 491. RURAL HOMELESSNESS GRANT PROGRAM.

'(a) Establishment. - The Secretary of Housing and Urban Development shall establish and carry out a rural homelessness grant program. In carrying out the program, the Secretary may award grants to eligible organizations in order to pay for the Federal share of the cost of -

'(1) assisting programs providing direct emergency assistance to homeless individuals and families;

'(2) providing homelessness prevention assistance to individuals and families at risk of becoming homeless; and

'(3) assisting individuals and families in obtaining access to permanent housing and supportive services.

'(b) Use of Funds. -

'(1) In general. - An eligible organization may use a grant awarded under subsection (a) to provide, in rural areas -

'(A) rent, mortgage, or utility assistance after 2 months of nonpayment in order to prevent eviction, foreclosure, or loss of utility service;

'(B) security deposits, rent for the first month of residence at a new location, and relocation assistance;

'(C) short-term emergency lodging in motels or shelters, either directly or through vouchers;

'(D) transitional housing;

'(E) rehabilitation and repairs such as insulation, window repair, door repair, roof repair, and repairs that are necessary to make premises habitable;

'(F) development of comprehensive and coordinated support services that use and supplement, as needed, community networks of services, including -

'(i) outreach services to reach eligible recipients;

'(ii) case management;

'(iii) housing counseling;

'(iv) budgeting;

'(v) job training and placement;

'(vi) primary health care;

'(vii) mental health services;

'(viii) substance abuse treatment;

'(ix) child care;

'(x) transportation;

'(xi) emergency food and clothing;

'(xii) family violence services;

'(xiii) education services;

'(xiv) moving services;

'(xv) entitlement assistance; and

'(xvi) referrals to veterans services and legal services; and

'(G) costs associated with making use of Federal inventory property programs to house homeless families, including the program established under title V of the Stewart B. McKinney Homeless Assistance Act and the Single Family Property Disposition Program established pursuant to

section 204(g) of the National Housing Act.

'(2) Capacity building activities. - Not more than 20 percent of the funds appropriated under subsection (1)(1) for a fiscal year may be used by eligible organizations for capacity building activities, including payment of operating costs and staff retention.

'(c) Award of Grants. -

'(1) Communities with populations of less than 10,000. -

'(A) Set aside. - In awarding grants under subsection (a) for a fiscal year, the Secretary shall make available not less than 50 percent of the funds appropriated under subsection (1)(1) for the fiscal year for grants to eligible organizations serving communities that have populations of less than 10,000.

'(B) Priority within set aside. - In awarding grants in accordance with subparagraph (A), the Secretary shall give priority to eligible organizations serving communities with populations of less than 5,000.

'(2) Communities without significant federal assistance. - In awarding grants under subsection (a), including grants awarded in accordance with paragraph (1), the Secretary shall give priority to eligible organizations serving communities not currently receiving significant Federal assistance under this Act.

'(3) State limit. - In awarding grants under subsection (a) for a fiscal year, the Secretary shall not award to eligible organizations within a State an aggregate sum of more than 10 percent of the funds appropriated under subsection (1)(1), for the fiscal year.

'(d) Application. - In order to be eligible to receive a grant under subsection (a), an organization shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. The application shall include, at a minimum -

'(1) a description of the target population and geographic area to be served;

'(2) a description of the types of assistance to be provided;

'(3) an assurance that the assistance to be provided is closely related to the identified needs of the target population;

'(4) a description of the existing assistance available to the target population, including Federal, State, and local

programs, and a description of the manner in which the organization will coordinate with and expand existing assistance or provide assistance not available in the immediate area;

'(5) an agreement by the organization that the organization will collect data on the projects conducted by the organization, including assistance provided, number and characteristics of persons served, and causes of homelessness for persons served; and

'(6) an agreement by the organization that, to the maximum extent practicable, the organization will involve homeless individuals and families through employment, volunteer services, and otherwise, in providing, operating, and rehabilitating housing assisted under this section and in providing services assisted under this section and services for occupants of housing assisted under this section.

'(e) Eligible Organizations. - Organizations eligible to receive a grant under subsection (a) shall include private nonprofit entities, Indian tribes (as such term is defined in section 102(a) of the Housing and Community Development Act of 1974), and county and local governments.

'(f) Federal Share. -

'(1) In general. - The Federal share of the costs of providing assistance under this section shall be 75 percent.

'(2) Non-federal share. - The non-Federal share of the cost of providing the assistance shall be in cash or in kind, fairly evaluated, including plant, equipment, staff services, or services delivered by volunteers.

'(g) Participation of Homeless Individuals. - The Secretary shall, by regulation, require each eligible organization receiving a grant under this section to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policy making entity of the recipient, to the extent that such entity considers and makes policies and decisions regarding any housing, services, or other assistance of the eligible organization receiving the grant under this section. The Secretary may grant waivers to recipients unable to meet the requirement under the preceding sentence if the recipient agrees to otherwise consult with homeless or formerly homeless individuals in considering and making such policies and decisions.

'(h) Evaluation. -

'(1) In general. - The Secretary shall conduct an evaluation of the program to -

'(A) determine the effectiveness of the program in providing housing and other assistance to homeless persons in the area served; and

'(B) determine the types of assistance needed to address homelessness in rural areas.

'(2) Report. - The Secretary shall submit to Congress, not later than 18 months after the date on which the Secretary first makes grants under the program, the evaluation of the program conducted under paragraph (1), including recommendations for any Federal administrative or legislative changes that may be necessary to improve the ability of rural communities to prevent and respond to homelessness.

'(i) Technical Assistance. - The Secretary shall provide technical assistance to eligible organizations in developing programs in accordance with this section, and in gaining access to other Federal resources that may be used to assist homeless persons in rural areas. Such assistance may be provided through regional workshops, and may be provided directly or through grants to, or contracts with, nongovernmental entities.

'(j) Termination of Assistance. - If an individual or family who receives assistance under this section violates requirements of the assistance program provided by the organization receiving a grant under this section, the organization may terminate assistance in accordance with a formal process established by the organization that recognizes the rights of individuals receiving such assistance to due process of law, which may include a hearing.

'(k) Definitions. -

'For purposes of this section:

'(1) Program. - The term 'program' means the rural homelessness grant program established under this section.

'(2) Rural area; rural community. - The terms 'rural area' and 'rural community' mean -

'(A) any area or community, respectively, no part of which is within an area designated as a standard metropolitan statistical area by the Office of Management and Budget; or

'(B) any area or community, respectively, that is -

'(i) within an area designated as a metropolitan statistical area or considered as part of a metropolitan statistical area; and

'(ii) located in a rural census tract.

'(3) Secretary. - The term 'Secretary' means the Secretary of Housing and Urban Development.

'(1) Authorization of Appropriations. -

'(1) In general. - There are authorized to be appropriated to carry out this section \$30,000,000 for fiscal year 1993 and \$31,260,000 for fiscal year 1994.

'(2) Availability. - Any amount paid to a grant recipient for a fiscal year that remains unobligated at the end of the year shall remain available to the recipient for the purposes for which the payment was made for the next fiscal year. The Secretary shall take such action as may be necessary to recover any amount not obligated by the recipient at the end of the second fiscal year, and shall redistribute the amount to another eligible organization.'.

SEC. 1409. EVALUATION OF PROGRAMS.

(a) In General . - The Secretary of Housing and Urban Development shall conduct a comprehensive review and evaluation of the effectiveness of each program under title IV of the Stewart B. McKinney Homeless Assistance Act. In conducting the review, the Secretary shall examine procedures of the Department in carrying out such programs, the procedures of recipients of assistance under such programs in carrying out such programs, and the effects and benefits of such programs; shall survey homeless individuals and families assisted under each program in various jurisdictions receiving assistance under each program; shall determine whether such programs are fulfilling the purposes for which they were established; and shall evaluate the usefulness and effectiveness of such programs.

(b) Report . - Not later than the expiration of the 2-year period beginning on the date of the enactment of this Act, the Secretary shall submit a report to the Congress describing the results of the review and evaluation conducted under subsection (a).

SEC. 1410. EXTENSION OF ORIGINAL MCKINNEY ACT HOUSING PROGRAMS.

The Cranston-Gonzalez National Affordable Housing Act is amended by striking sections 821 and 823 (42 U.S.C. 11361 note). The amendment made by such section 821 of such Act shall not take effect.

SEC. 1411. CONSULTATION AND REPORT REGARDING USE OF NATIONAL GUARD FACILITIES AS OVERNIGHT SHELTERS FOR HOMELESS INDIVIDUALS.

(a) Use of Available Space at National Guard Facilities. - The Secretary of Housing and Urban Development shall consult with the chief executive officers of the States and the Secretary of Defense

to determine the availability of space at National Guard facilities for use by homeless organizations in providing overnight shelter for homeless persons and families. The Secretary of Housing and Urban Development shall determine the availability of only such space that can be used for shelter purposes during periods it is not actively being used for National Guard purposes. The Secretary of Housing and Urban Development shall also determine the availability of incidental services at such facilities, including utilities, bedding, security, transportation, renovation of facilities, minor repairs undertaken specifically to make available space in a facility suitable for use as an overnight shelter for homeless individuals, and property liability insurance.

(b) Limitations. - In consultations under this section, the Secretary of Housing and Urban Development shall determine -

(1) the number and capacity of such facilities that may be made available for shelters for homeless persons and families without adversely affecting the military or emergency service preparedness of the State or the United States; and

(2) whether any available space is suitable for use as an overnight shelter for homeless individuals or can, with minor repairs, be made suitable for that use.

(c) Report. - The Secretary of Housing and Urban Development shall submit to the Congress, not later than the expiration of the 1-year period beginning on the date of the enactment of this Act, a report regarding the consultations and determinations made by the Secretary under this section. The report shall include any recommendations of the Secretary regarding the need for, and feasibility of, using National Guard facilities for homeless shelters and any recommendations of the Secretary for administrative or legislative action to provide for such use.

SEC. 1412. STRATEGY TO ELIMINATE UNFIT TRANSIENT FACILITIES.

Section 825(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 11301 note) is amended in the first sentence

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(1) by striking 'Cranston-Gonzalez National Affordable Housing Act' and inserting 'Housing and Community Development Act of 1992'; and

(2) by striking 'July 1, 1992' and inserting 'July 1, 1994'.

SEC. 1413. AMENDMENTS TO TABLE OF CONTENTS.

The table of contents in section 101(b) of the Stewart B. McKinney Homeless Assistance Act is amended -

(1) by striking the item relating to section 401 and inserting the following new item:

'Sec. 401. Housing affordability strategy.';

(2) by striking the item relating to the heading for subtitle C of title IV and all that follows through the item relating to section 484 and inserting the following new items:

'SUBTITLE C - SUPPORTIVE HOUSING PROGRAM

'Sec. 421. Purpose.

'Sec. 422. Definitions.

'Sec. 423. Eligible activities.

'Sec. 424. Supportive housing.

'Sec. 425. Supportive services.

'Sec. 426. Program requirements.

'Sec. 427. Regulations.

'Sec. 428. Reports to Congress.

'Sec. 429. Authorization of appropriations.

'SUBTITLE D - SAFE HAVENS FOR HOMELESS INDIVIDUALS DEMONSTRATION PROGRAM

'Sec. 431. Establishment of demonstration.

'Sec. 432. Definitions.

'Sec. 433. Program assistance.

'Sec. 434. Program requirements.

'Sec. 435. Occupancy charge.

'Sec. 436. Termination of assistance.

'Sec. 437. Evaluation and report.

'Sec. 438. Regulations.

'Sec. 439. Authorization of appropriations.

'SUBTITLE E - MISCELLANEOUS PROGRAMS

'Sec. 441. Section 8 assistance for single room occupancy dwellings.

'Sec. 442. Community development block grant amendment.

'Sec. 443. Administrative provisions.

'SUBTITLE F - SHELTER PLUS CARE PROGRAM

'PART I - GENERAL REQUIREMENTS

'Sec. 451. Purpose.

'Sec. 452. Rental housing assistance.

'Sec. 453. Supportive services requirements.

'Sec. 454. Applications.

'Sec. 455. Selection criteria.

'Sec. 456. Required agreements.

'Sec. 457. Housing standards and rent reasonableness.

'Sec. 458. Tenant rent.

'Sec. 459. Administrative fees.

'Sec. 460. Occupancy.

'Sec. 461. Termination of assistance.

'Sec. 462. Definitions.

'Sec. 463. Authorization of appropriations.

'PART II - TENANT-BASED RENTAL ASSISTANCE

'Sec. 471. Authority.

'Sec. 472. Housing assistance.

'Sec. 473. Amount of assistance.

'PART III - PROJECT-BASED RENTAL ASSISTANCE

'Sec. 476. Authority.

'Sec. 477. Housing assistance.

'Sec. 478. Term of contract and amount of assistance.

'PART IV - SPONSOR-BASED RENTAL ASSISTANCE

'Sec. 481. Authority.

'Sec. 482. Housing assistance.

'Sec. 483. Term of contract and amount of assistance.

'PART V - SECTION 8 MODERATE REHABILITATION ASSISTANCE FOR
SINGLE-ROOM OCCUPANCY DWELLINGS

'Sec. 486. Authority.

'Sec. 487. Fire and safety improvements.

'Sec. 488. Contract requirements.

'SUBTITLE G - RURAL HOMELESS HOUSING ASSISTANCE

'Sec. 491. Rural homelessness grant program.

'Sec. 492. Use of FMHA inventory for transitional housing for
homeless persons and for turnkey housing.';

(3) by striking the item relating to section 501 and
inserting the following new item:

'Sec. 501. Use of unutilized and underutilized public buildings
and real property to assist the homeless.';

(4) by striking the items relating to sections 722 through
725 and inserting the following new items:

'Sec. 722. Grants for State and local activities for the
education of homeless children and youth.

'Sec. 723. Local educational agency grants for the education of
homeless children and youth.

'Sec. 724. National responsibilities.

'Sec. 725. Reports.

'Sec. 726. Definitions.';

(5) by inserting after the item relating to section 754 the
following new items:

'Sec. 755. Evaluation.

'Sec. 756. Report by the Secretary.';

and

(6) by inserting after the item relating to section 762 the
following new items:

'SUBTITLE F - FAMILY SUPPORT CENTERS

'Sec. 771. Definitions.

'Sec. 772. General grants for the provision of services.

'Sec. 773. Training and retention.

'Sec. 774. Family case managers.

'Sec. 775. Gateway programs.

'Sec. 776. Evaluation.

'Sec. 777. Report.

'Sec. 778. Construction.

'Sec. 779. Authorization of appropriations.'

SEC. 1414. USE OF FMHA INVENTORY FOR TRANSITIONAL HOUSING FOR HOMELESS PERSONS AND FOR TURNKEY HOUSING.

Subtitle G of the Title IV of the Stewart B. McKinney Homeless Assistance Act (as added by section 1408 of this Act) is amended by adding at the end the following new section:

'SEC. 592. USE OF FMHA INVENTORY FOR TRANSITIONAL HOUSING FOR HOMELESS PERSONS AND FOR TURNKEY HOUSING.

'(a) In General. - The Secretary of Agriculture (in this section referred to as the 'Secretary') shall, on a priority basis, lease or sell program and nonprogram inventory properties held by the Secretary under title V of the Housing Act of 1949 -

'(1) to provide transitional housing; and

'(2) to provide turnkey housing for tenants of such transitional housing and for eligible families.

'(b) Priority. - The priority uses of inventory property under this section shall not have a higher priority than -

'(1) the disposition of such property by sale to eligible families; or

'(2) the disposition of such property by transfer for use as rental housing by eligible families.

'(c) Transitional Housing. -

'(1) Leases authorized. - The Secretary shall lease inventory properties to public agencies and nonprofit organizations to provide transitional housing for homeless families and individuals and to provide such agencies the option to provide turnkey housing opportunities for homeless persons and other

inadequately housed families.

'(2) Rental to eligible families. - A public agency or nonprofit organization may rent housing leased to it under paragraph (1) to a family for up to 10 years and may, during that period, assist the tenant in obtaining a loan and credit assistance under title V of the Housing Act of 1949 to purchase the housing from the Secretary.

'(d) Lease Procedures. -

'(1) Identification of property. - Upon receipt by the Secretary of written notification from a public agency or nonprofit organization that it proposes to lease a property for the purpose of providing transitional housing or for the purpose of providing transitional housing and turnkey housing opportunities, the Secretary shall -

'(A) withdraw the property from the market for not more than 30 days for the purpose of negotiations under subparagraph (B);

'(B) negotiate a lease agreement with the organization or agency; and

'(C) if a lease is agreed to, commence the repairs necessary to make the property meet standards for decent, safe, and sanitary housing.

'(2) Lease terms. - A lease of inventory property under this section shall -

'(A) be for a period of not more than 10 years;

'(B) provide for the payment of \$1 for the 10-year lease; and

'(C) provide the nonprofit organization or public agency

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'(i) the right to use the property for transitional housing; and

'(ii) the option to arrange for the sale of the property to an eligible purchaser.

'(e) Purchase Procedures. -

'(1) Identification of property. - Upon receipt by the Secretary of written notification from a public agency or nonprofit organization that it proposes to purchase a property for the purpose of providing transitional housing or for the purpose of providing transitional housing and turnkey housing opportunities, the Secretary shall -

'(A) withdraw the property from the market for not more than 30 days for the purpose of negotiations under subparagraph (B);

'(B) negotiate a purchase agreement with the organization or agency; and

'(C) if a purchase agreement is agreed to, commence the repairs necessary to make the property meet standards for decent, safe, and sanitary housing.

'(2) Purchase terms. - A purchase of inventory property under this section shall provide for a purchase price equal to not more than the fair market value of the property minus 10 percent.

'(f) Employment of Homeless Individuals. - A public agency or nonprofit organization may lease or purchase property under this section only if the agency or organization, to the maximum extent practicable, involves homeless individuals and families, through employment, volunteer services, or otherwise, in maintaining, operating, and renovating any properties leased or acquired under this section and in providing any services for occupants of properties assisted under this section.

'(g) Participation of Homeless Individuals. -

'(1) In general . - The Secretary shall, by regulation, require each public agency and nonprofit organization leasing or purchasing property under this section to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policy making entity of such agency or organization, to the extent that such organization or applicant considers and makes policies and decisions regarding any property acquired under this section.

'(2) Waiver . - The Secretary may grant a waiver to a public agency or nonprofit organization that is unable to meet the requirement of paragraph (1), if the agency or organization agrees to otherwise consult with homeless or formerly homeless individuals in considering and making such policies and decisions.

'(h) Budget Compliance. - The authority provided to the Secretary under this section shall be effective only to the extent approved in advance in appropriations Acts.'

SUBTITLE B - INTERAGENCY COUNCIL ON THE HOMELESS

SEC. 1421. AUTHORIZATION OF APPROPRIATIONS.

Section 208 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11318) is amended to read as follows:

'SEC. 208. AUTHORIZATION OF APPROPRIATIONS.

'There are authorized to be appropriated to carry out this title \$1,500,000 for fiscal year 1993 and \$1,563,000 for fiscal year 1994.'

SEC. 1422. EXTENSION.

Section 209 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11319) is amended by striking 'October 1, 1992' and inserting 'October 1, 1994'.

SUBTITLE C - FEDERAL EMERGENCY MANAGEMENT FOOD AND SHELTER PROGRAM

SEC. 1431. AUTHORIZATION OF APPROPRIATIONS.

Section 322 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11352) is amended to read as follows:

'SEC. 322. AUTHORIZATION OF APPROPRIATIONS.

'There are authorized to be appropriated to carry out this title \$180,000,000 for fiscal year 1993 and \$187,560,000 for fiscal year 1994.'

SEC. 1432. EMPLOYMENT AND PARTICIPATION OF HOMELESS INDIVIDUALS IN LOCAL PROGRAMS.

Section 316(a) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11346(a)) is amended -

(1) in paragraph (3), by striking 'and' at the end;

(2) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

'(5) guidelines requiring each private nonprofit organization and local government carrying out a local emergency food and shelter program with amounts provided under this subtitle, to the maximum extent practicable, to involve homeless individuals and families, through employment, volunteer services, or otherwise, in providing emergency food and shelter and in otherwise carrying out the local program; and

'(6) guidelines requiring each private nonprofit organization and local government carrying out a local emergency food and shelter program with amounts provided under this subtitle to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policy making entity of the organization or governmental agency to the extent that such entity considers and makes policies and decisions regarding the

local program of the organization or locality; except that such guidelines may grant waivers to applicants unable to meet such requirement if the organization or government agrees to otherwise consult with homeless or formerly homeless individuals in considering and making such policies and decisions.'