SEC. 601. FUNDING FOR SUPPORTIVE HOUSING FOR THE ELDERLY AND FOR PERSONS WITH DISABILITIES.

(a) Aggregate Funding. - There are authorized to be appropriated for the purpose of providing assistance in accordance with section 202 of the Housing Act of 1959 and section 811 of the Cranston-Gonzalez National Affordable Housing Act, $1,309,853,000 for fiscal year 1993 and $1,364,866,826 for fiscal year 1994.

(b) Allocation. - Of any amounts made available for assistance under the sections referred to in subsection (a), 70 percent of such amount shall be used for assistance in accordance with section 202 of the Housing Act of 1959 and 30 percent of such amount shall be used for assistance in accordance with section 811 of the Cranston-Gonzalez National Affordable Housing Act.

(c) Supportive Housing for the Elderly. - Section 202(l) of the Housing Act of 1959 (12 U.S.C. 1701q(l)) is amended -

(1) by striking 'Authorizations.' and inserting 'Allocation of Funds.';

(2) in paragraph (1) -

(A) by striking the first sentence and inserting the following new sentence: 'Of any amounts made available for assistance under this section, such sums as may be necessary shall be available for funding capital advances in accordance with subsection (c)(1).'; and

(B) in the second sentence, by striking 'Amounts so appropriated' and inserting 'Such amounts';

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

'(2) Project rental assistance. - Of any amounts made available for assistance under this section, such sums as may be necessary shall be available for funding project rental assistance in accordance with subsection (c)(2).'; and

(4) in paragraph (3), by striking 'under this subtitle' and inserting 'for assistance under this section'.

(d) Supportive Housing for Persons With Disabilities. - Section 811(l) of the Cranston-Gonzalez National Affordable Housing Act (42
U.S.C. 8013(l)) is amended —

(1) by striking 'Authorizations . - ' and inserting 'Allocation of Funds . - ';

(2) in paragraph (1) —

(A) by striking the first sentence and inserting the following new sentence: 'Of any amounts made available for assistance under subsection (b), such sums as may be necessary shall be available for funding capital advances in accordance with subsection (c)(1).'; and

(B) in the second sentence, by striking 'Amounts so appropriated' and inserting 'Such amounts';

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

'(2) Project rental assistance . - Of any amounts made available for assistance under subsection (b), such sums as may be necessary shall be available for funding project rental assistance in accordance with subsection (c)(2).';

(4) by redesignating paragraphs (1) and (2) (as so amended) as paragraphs (2) and (3), respectively; and

(5) by inserting before paragraph (2) (as so redesignated) the following new paragraph:

'(1) Allocation . - Of any amount made available for assistance under this section in any fiscal year, an amount shall be used for assistance under subsection (b) that is not less than the amount made available in appropriation Acts for such assistance in the preceding year, and the remainder shall be available for tenant-based assistance under subsection (n).'.

SEC. 602. SUPPORTIVE HOUSING FOR THE ELDERLY.

(a) Technical Corrections. - Section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), as amended by section 801(a) of the Cranston-Gonzalez National Affordable Housing Act, is amended —

(1) in subsection (g)(1), by striking 'and persons with disabilities'; and

(2) in subsection (i)(1)(A), by striking 'persons with disabilities' and inserting 'elderly persons'.

(b) Repeal of Requirement for State and Local Certification of Services. - Section 202(e) of the Housing Act of 1959 (12 U.S.C. 1701q(e)), as amended by section 801(a) of the Cranston-Gonzalez National Affordable Housing Act, is amended —
(1) by striking paragraph (5); and

(2) by redesignating paragraphs (6) and (7) as paragraphs (5) and (6), respectively.

(c) Selection Criteria . - Section 202(f)(2) of the Housing Act of 1959 (12 U.S.C. 1701q(f)(2)) is amended by adding at the end ', taking into consideration the availability of public housing for the elderly and vacancy rates in such facilities'.

(d) Elder Cottage Housing. -

(1) Implementation . - Section 806(b) of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 1701q note) is amended to read as follows:

'(b) Demonstration Program . -

'(1) In general . - The Secretary of Housing and Urban Development shall carry out a program to determine the feasibility of including, as an eligible development cost under section 202 of the Housing Act of 1959, the cost of purchasing and installing elder cottage housing opportunity units that are small, freestanding, barrier-free, energy efficient, removable, and designed to be installed adjacent to existing 1- to 4-family dwellings. In conducting the demonstration, the Secretary shall determine whether the durability of such units is appropriate for making such units generally eligible for assistance under the programs under such sections.

'(2) Allocation. - Notwithstanding any other law, the Secretary shall reserve from any amounts available for capital advances and project rental assistance under section 202 of the Housing Act of 1959, amounts sufficient in each of fiscal years 1993 and 1994 to provide not less than 100 units under the demonstration under this subsection in connection with each such section. Any amounts reserved under this paragraph shall be available only for carrying out the demonstration under this subsection and, for purposes of the demonstration, the cost of purchasing and installing an elder cottage housing opportunity unit shall be considered an eligible development cost under sections 202 of the Housing Act of 1959.

'(3) Report . - Not later than January 1, 1994, the Secretary shall submit a report to the Congress on the results of the demonstration under this subsection, which shall be based on actual experience in implementing this subsection.

'(4) Implementation . - The Secretary shall issue regulations to carry out the demonstration under this subsection not later than the expiration of the 6-month period beginning on the date of the enactment of the Housing and Community Development Act of 1992.'.
(e) Access to Residual Receipts. - Section 202(j) of the Housing Act of 1959 (12 U.S.C. 1701q(j)) is amended by adding at the end the following new paragraph:

'(6) Access to residual receipts. - The Secretary shall authorize the owner of a project assisted under this section to use any residual receipts held for the project in excess of $500 per unit (or in excess of such other amount prescribed by the Secretary based on the needs of the project) for activities to retrofit and renovate the project described under section 802(d)(3) of the Cranston-Gonzalez National Affordable Housing Act, to provide a service coordinator for the project as described in section 802(d)(4) of such Act, or to provide supportive services (as such term is defined in section 802(k) of such Act) to residents of the project. Any owner that uses residual receipts under this paragraph shall submit to the Secretary a report, not less than annually, describing the uses of the residual receipts. In determining the amount of project rental assistance to be provided to a project under subsection (c)(2) of this section, the Secretary may take into consideration the residual receipts held for the project only if, and to the extent that, excess residual receipts are not used under this paragraph.'.

(f) Waiver of Owner Deposit. - Section 202(j)(3)(B) of the Housing Act of 1959 (12 U.S.C. 1701q(j)(3)(B)) is amended by adding at the end the following new sentence: 'The Secretary shall reduce or waive the requirement of the owner deposit under paragraph (1) in the case of a nonprofit applicant that is not affiliated with a national sponsor, as determined by the Secretary.'.

(g) Nonmetropolitan Allocation . - Section 202(l)(4) of the Housing Act of 1959 (12 U.S.C. 1701q(l)(3)) is amended by striking '20 percent' and inserting '15 percent'.

SEC. 603. SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES.

Section 811(k)(6) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(k)(6)) is amended -

(1) by striking 'incorporated private';

(2) by redesignating subparagraphs (A), (B), and (C), as subparagraphs (B), (C), and (D), respectively; and

(3) by inserting after 'foundation - ' the following new subparagraph:

'(A) that has received, or has temporary clearance to receive, tax-exempt status under section 501(c)(3) of the Internal Revenue Code of 1986;'.

SEC. 604. REVISED CONGREGATE HOUSING SERVICES PROGRAM.
(a) Authorization of Appropriations . - Section 802(n)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8011(n)(1)) is amended by striking the matter preceding subparagraph (A) and inserting the following:

'(1) Authorization and use. - There are authorized to be appropriated to carry out this section $21,000,000 for fiscal year 1993, and $21,882,000 for fiscal year 1994, of which not more than - '.

(b) Supplemental Contributions . - Section 802(i)(1)(B)(i) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8011(i)(1)(B)(i)) is amended by striking '3-year' each place it appears and inserting '6-year'.

(c) Regulations. -

(1) Interim regulations . - Not later than the expiration of the 30-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development and the Secretary of Agriculture shall submit to the Congress a copy of proposed interim regulations implementing section 802 of the Cranston-Gonzalez National Affordable Housing Act with respect to eligible federally assisted housing (as such term is defined in section 802(k) of such Act) administered by each such Secretary. Not later than the expiration of the 45-day period beginning on the date of the enactment of this Act, but not before the expiration of the 15-day period beginning upon the submission of the proposed interim regulations to the Congress, each such Secretary shall publish interim regulations implementing such section 802, which shall take effect upon publication.

(2) Final regulations . - Not later than the expiration of the 90-day period beginning upon the publication of interim regulations under paragraph (1), each such Secretary shall issue final regulations implementing section 802 of the Cranston-Gonzalez National Affordable Housing Act 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 under such section 553 shall be not less than 60 days, and the final regulations shall take effect upon issuance.

(3) Failure under 1990 act . - This subsection may not be construed to authorize any failure to comply with the requirements of section 802(m) of the Cranston-Gonzalez National Affordable Housing Act.

SEC. 605. HOPE FOR ELDERLY INDEPENDENCE.

(a) Section 8 Assistance. - Section 803(j) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8012(j)) is amended to read as follows:
(j) Section 8 Funding. - The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under sections 8(b) and 8(o) of such Act is authorized to be increased by $38,288,000 on or after October 1, 1992, and by $39,896,096 on or after October 1, 1993. The amounts made available under this subsection shall be used only in connection with the demonstration under this section.

(b) Supportive Services Authorization. - Section 803(k) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8012(k)) is amended to read as follows:

'(k) Funding for Services. - There are authorized to be appropriated for the Secretary to carry out the responsibilities for supportive services under the demonstrations under this section $10,000,000 to become available in fiscal year 1993, and $10,420,000 to become available in fiscal year 1994. Any such amounts appropriated under this subsection shall remain available until expended.'.

(c) Demonstration Period. - Section 803 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8012) is amended -

(1) in subsection (a), by striking 'beginning on the date of the enactment of this Act' and inserting 'determined by the Secretary'; and

(2) by striking paragraph (1) of subsection (g) and inserting the following new paragraph:

'(1) The term 'demonstration period' means the 5-year period referred to in subsection (a).'.

SEC. 606. HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS.

(a) Amendment of Cranston-Gonzalez National Housing Act. - Whenever in this section an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Cranston-Gonzalez National Affordable Housing Act.

(b) Authorization of Appropriations. - Section 863 (42 U.S.C. 12912) is amended to read as follows:

'SEC. 863. AUTHORIZATION OF APPROPRIATIONS.

'There are authorized to be appropriated to carry out this subtitle $150,000,000 for fiscal year 1993 and $156,300,000 for fiscal year 1994.'.

(c) Definitions. - Section 853 (42 U.S.C. 12902) is amended -

(1) in paragraph (2), by striking 'sponsor receiving
assistance from a grantee' and inserting 'organization eligible to receive assistance under this subtitle';

(2) in paragraph (5), by striking 'metropolitan area' and inserting 'metropolitan statistical area'; and

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

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

'(12) The term 'eligible person' means a person with acquired immunodeficiency syndrome or a related disease and the family of such person.

'(13) The term 'nonprofit organization' means any nonprofit organization (including a State or locally chartered, nonprofit organization) that-

'(A) is organized under State or local laws;

'(B) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;

'(C) complies with standards of financial accountability acceptable to the Secretary; and

'(D) has among its purposes significant activities related to providing services or housing to persons with acquired immunodeficiency syndrome or related diseases.

'(14) The term 'project sponsor' means a nonprofit organization or a housing agency of a State or unit of general local government that contracts with a grantee to receive assistance under this subtitle.'.

(d) Grant Eligibility and Allocation. - Section 854 (42 U.S.C. 12903) is amended -

(1) in subsection (a), by striking 'and units of general local government' and inserting ', units of general local government, and nonprofit organizations';

(2) by striking subsection (b) and inserting the following new subsection:

'(b) Implementation of Eligible Activities. - A grantee shall carry out eligible activities under section 855 through project sponsors. Any grantee that is a State that enters into a contract with a nonprofit organization to carry out eligible activities in a locality shall obtain the approval of the unit of general local government for the locality before entering into the contract.';
(3) by striking paragraph (1) of subsection (c) and inserting the following new paragraph:

'(1) Formula allocation. - The Secretary shall allocate 90 percent of the amounts approved in appropriation Acts under section 863 among States and cities whose most recent comprehensive housing affordability strategy (or abbreviated strategy) has been approved by the Secretary under section 105 of this Act. Such amounts shall be allocated as follows:

'(A) 75 percent among -

'(i) cities that are the most populous unit of general local government in a metropolitan statistical area having a population greater than 500,000 and more than 1,500 cases of acquired immunodeficiency syndrome; and

'(ii) States with more than 1,500 cases of acquired immunodeficiency syndrome outside of metropolitan statistical areas described in clause (i); and

'(B) 25 percent among cities that (i) are the most populous unit of general local government in a metropolitan statistical area having a population greater than 500,000 and more than 1,500 cases of acquired immunodeficiency syndrome, and (ii) have a higher than average per capita incidence of acquired immunodeficiency syndrome.

A single city may receive assistance allocated under subparagraph (A) and subparagraph (B). For purposes of allocating amounts under this paragraph for any fiscal year, the number of cases of acquired immunodeficiency syndrome shall be the number of such cases reported to and confirmed by the Director of the Centers for Disease Control of the Public Health Service as of March 31 of the fiscal year immediately preceding the fiscal year for which the amounts are appropriated and to be allocated.';

(4) in subsection (c)(3) -

(A) by striking the paragraph heading and inserting 'Nonformula allocation. - '; and

(B) by striking subparagraph (A) and inserting the following new subparagraph:

'(A) In general. - The Secretary shall allocate 10 percent of the amounts appropriated under section 863 among -

'(i) States and units of general local government that do not qualify for allocation of amounts under paragraph (1); and
'(ii) States, units of general local government, and nonprofit organizations, to fund special projects of national significance.';

(5) in the first sentence of subsection (d), by striking 'approvable applications submitted by eligible applicants' and inserting 'applications submitted by applicants and approved by the Secretary';

(6) in subsection (e), by striking 'requirements of subsection (b)' and inserting 'other requirements of this section'; and

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

'(f) Additional Requirement for City Formula Grantees. - In addition to the other requirements of this section, to be eligible for a grant pursuant to subsection (c)(1), a city shall provide such assurances as the Secretary may require that any grant amounts received will be allocated among eligible activities in a manner that addresses the needs within the metropolitan statistical area in which the city is located, including areas not within the jurisdiction of the city. Any such city shall coordinate with other units of general local government located within the metropolitan statistical area to provide such assurances and comply with the assurances.'.

(e) Limitation on Spending for Other Activities. - Section 855(6) (42 U.S.C. 12904(6)) is amended by inserting before the period at the end the following: ', except that activities developed under this paragraph may be assisted only with amounts provided under section 854(c)(3)';

(f) Fees and Limitation on Use of Grant Amounts for Administrative Expenses. - Section 856 (42 U.S.C. 12905) is amended -

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

'(d) Prohibition of Fees. - The recipient shall agree that no fee will be charged to any eligible person for any housing or services provided with amounts from a grant under this subtitle.'; and

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

'(g) Administrative Expenses. -

'(1) Grantees. - Notwithstanding any other provision of this subtitle, each grantee may use not more than 3 percent of the grant amount for administrative costs relating to administering grant amounts and allocating such amounts to project sponsors.
(2) Project sponsors. - Notwithstanding any other provision of this subtitle, each project sponsor receiving amounts from grants made under this title may use not more than 7 percent of the amounts received for administrative costs relating to carrying out eligible activities under section 855, including the costs of staff necessary to carry out eligible activities.'.

(g) Short-Term Supported Housing and Services. - Section 858 (42 U.S.C. 12907) is amended -

(1) in subsection (a) -

(A) in paragraph (3), by inserting before the period at the end the following: '(except that health services under this paragraph may only be provided to individuals with acquired immunodeficiency syndrome or related diseases), and providing technical assistance to eligible persons to provide assistance in gaining access to benefits and services for homeless individuals provided by the Federal Government and State and local governments';

(B) by striking paragraphs (4) and (5); and

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

'(4) Operation. - Providing for the operation of short-term supported housing provided under this section, including the costs of security, operation insurance, utilities, furnishings, equipment, supplies, and other incidental costs.

'(5) Administration. - Providing staff to carry out the program under this section (subject to the provisions of section 856(g)).'; and

(2) in subsection (b) -

(A) in paragraph (2) -

(i) by striking subparagraph (B);

(ii) in subparagraph (C), by striking 'limitations under subparagraphs (A) and (B)' and inserting 'limitation under subparagraph (A)'; and

(iii) by redesignating subparagraph (C) (as so amended) as subparagraph (B); and

(B) in paragraph (3), by adding at the end the following new subparagraph:

'(C) Waiver. - Notwithstanding subparagraphs (A) and (B), the Secretary may waive the applicability of the requirements under such subparagraphs with respect to any
individual for which the project sponsor has made a good faith effort to acquire permanent housing (in accordance with paragraph (4)) and has been unable to do so.'.

(h) Rental Assistance. -

(1) In general. - Section 859 (42 U.S.C. 12908) is amended -

(A) by striking the section heading and inserting the following new section heading:

'SEC. 859. RENTAL ASSISTANCE.';

(B) in the first sentence of subsection (a)(1), by striking 'short-term'; and

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

'(c) Administrative Costs. - A project sponsor providing rental assistance under this section may use amounts from any grant received under this section for administrative expenses involved in providing such assistance, subject to the provisions of 856(g)(2).'.

(2) Conforming amendment. - Section 855(3) (42 U.S.C. 12904(3)) is amended by striking 'short-term'.

(i) Community Residences and Services. - Section 861(c) (42 U.S.C. 12910(c)) is amended -

(1) in paragraph (1)(C), by inserting before the period at the end the following: ', and expenses relating to community outreach and educational activities regarding acquired immunodeficiency syndrome and related diseases provided for individuals residing in proximity of eligible persons assisted under this subtitle'; and

(2) by striking paragraph (3) and inserting the following new paragraph:

'(3) Administrative expenses. - For administrative expenses related to the planning and carrying out activities under this section (subject to the provisions of section 856(g)).'.

(j) Eligibility of Families. -

(1) Section 852 (42 U.S.C. 12901) is amended by inserting 'and families of such persons' before the period at the end.

(2) Section 854(c)(3) (42 U.S.C. 12903(c)(3)) is amended by striking 'persons with acquired immunodeficiency syndrome' and inserting 'eligible persons' each place it appears.

(3) Section 855 (42 U.S.C. 12904) is amended -
(A) in the matter preceding paragraph (1), by striking 'such persons with acquired immunodeficiency syndrome' and inserting 'eligible persons'; and

(B) in paragraph (5), by striking 'with acquired immunodeficiency syndrome'.

(4) Section 856(c) (42 U.S.C. 12905(c)) is amended by striking 'such individuals' and inserting 'such eligible persons'.

(5) Section 858(a)(3) (42 U.S.C. 12907(a)(3)) is amended by striking 'individuals' and inserting 'eligible persons'.

(6) Section 859(b)(1) (42 U.S.C. 12908(b)(1)) is amended by striking 'individuals' and inserting 'eligible persons'.

(7) Sections 859(b)(2) and 860(b)(2) (42 U.S.C. 12908(b), 12909(b)(2)) are amended by inserting 'with acquired immunodeficiency syndrome or related diseases' after 'any individual' each place it appears.

(8) Section 861(a) (42 U.S.C. 12910(a)) is amended by striking 'persons with acquired immunodeficiency syndrome or related diseases' and inserting 'eligible persons'.

(9) Section 861(b)(1)(A)(iv) (42 U.S.C. 12910(b)(1)(A)(iv)) is amended by striking 'such individuals' and inserting 'such eligible persons'.

(10) Section 861(d)(1) (42 U.S.C. 12910(d)(1)) is amended -

(A) in subparagraph (A), by striking 'individuals' and inserting 'eligible persons'; and

(B) in subparagraph (D), by inserting 'with acquired immunodeficiency syndrome or related diseases' after 'any individual'.

(11) Subtitle D of title VIII of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12901 et seq.) is amended by striking 'individuals with acquired immunodeficiency syndrome or related diseases' each place it appears in the following provisions and inserting 'eligible persons':

(A) Section 856(c).

(B) Section 857.

(C) Section 858 -

(i) in subsection (a), in the matter preceding paragraph (1); and
(ii) in subsection (b)(1)(A);

(D) Section 859(a)(1).

(E) Section 861 -

(i) in subsection (b); and

(ii) in subsection (d).

(k) Regulations . -

(1) Interim regulations . - Not later than the expiration of the 30-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit to the Congress a copy of proposed interim regulations implementing subtitle D of title VIII of the Cranston-Gonzalez National Affordable Housing Act (as amended by this section). Not later than the expiration of the 45-day period beginning on the date of the enactment of this Act, but not before the expiration of the 15-day period beginning upon the submission of the proposed interim regulations to the Congress, the Secretary shall publish interim regulations implementing such subtitle (as amended), which shall take effect upon publication.

(2) Final regulations . - Not later than the expiration of the 90-day period beginning upon the publication of interim regulations under paragraph (1), the Secretary shall issue final regulations implementing subtitle D of title VIII of the Cranston-Gonzalez National Affordable Housing Act (as amended by this section) 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 under such section 553 shall be not less than 60 days, and the final regulations shall take effect upon issuance.

SUBTITLE B - AUTHORITY FOR PUBLIC HOUSING AGENCIES TO PROVIDE DESIGNATED PUBLIC HOUSING AND ASSISTANCE FOR DISABLED FAMILIES

SEC. 621. DEFINITIONS.

Paragraph 3 of section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)) is amended to read as follows:

'(3) Persons and families. -

'(A) Single persons. - The term 'families' includes families consisting of a single person in the case of (i) an elderly person, (ii) a disabled person, (iii) a displaced person, (iv) the remaining member of a tenant family, and (v) any other single persons. In no event may any single person under clause
(v) of the first sentence be provided a housing unit assisted under this Act of 2 or more bedrooms. In determining priority for admission to housing under this Act, the Secretary shall give preference to single persons who are elderly, disabled, or displaced persons before single persons who are eligible under clause (v) of the first sentence.

'(B) Families. - The term 'families' means families with children, in the cases of elderly families, near-elderly families, and disabled families, means families whose heads (or their spouses), or whose sole members, are elderly, near-elderly, or persons with disabilities, respectively. The term includes, in the cases of elderly families, near-elderly families, and disabled families, 2 or more elderly persons, near-elderly persons, or persons with disabilities living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

'(C) Absence of children. - The temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size.

'(D) Elderly person. - The term 'elderly person' means a person who is at least 62 years of age.

'(E) Person with disabilities. - The term 'person with disabilities' means a person who -

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

'(ii) is determined, pursuant to regulations issued by the Secretary, to have a physical, mental, or emotional impairment which (I) is expected to be of long-continued and indefinite duration, (II) substantially impeded his or her ability to live independently, and (III) is of such a nature that such ability could be improved by more suitable housing conditions, or

'(iii) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

'(F) Displaced person. - The term 'displaced person' means a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.
'(G) Near-elderly person. - The term 'near-elderly person' means a person who is at least 50 years of age but below the age of 62.'.

SEC. 622. AUTHORITY.

(a) In General. - Section 7 of the United States Housing Act of 1937 (42 U.S.C. 1437e) is amended to read as follows:

'DESIGNATED HOUSING

'Sec. 7. (a) Authority To Provide Designated Housing. -

'(1) In general. - Notwithstanding any other provision of law, a public housing agency whose allocation plan under subsection (f) (and any biannual update) has been approved by the Secretary may, to the extent provided in the allocation plan, provide public housing projects (or portions of projects) designated for occupancy by (A) only elderly families, (B) only disabled families (subject to the provisions of subsection (e)), or (C) elderly and disabled families.

'(2) Priority for occupancy. - In determining priority for admission to public housing projects (or portions of projects) that are designated for occupancy as provided in paragraph (1), the public housing agency may make units in such projects (or portions) available only to the types of families for whom the project is designated. Among such types of families, preference for occupancy in such projects (or portions) shall be given according to the preferences for occupancy under section 6(c)(4)(A).

'(3) Eligibility of near-elderly families. - If a public housing agency determines (in accordance with regulations established by the Secretary) that there are insufficient numbers of elderly families to fill all the units in a project (or portion of a project) designated under paragraph (1) for occupancy by only elderly families, the agency may (pursuant to the approved allocation plan under subsection (f) for the agency) provide that near-elderly families who qualify for preferences for occupancy under section 6(c)(4)(A) may occupy dwelling units in the project (or portion).

'(4) Vacancy. - Notwithstanding the authority under paragraphs (1) and (2) to designate public housing projects (or portions of projects) for occupancy by only certain types of families, a public housing agency shall make any dwelling unit that is ready for occupancy in such a project (or portion of a project) that has been vacant for more than 60 consecutive days generally available for occupancy (subject to the requirements of this title) without regard to such designation.

'(b) Availability of Housing. -
'(1) Tenant choice. - The decision of any disabled family not to occupy or accept occupancy in an appropriate type of project or assistance made available to the family under this title shall not adversely affect the family with respect to a public housing agency making available occupancy in other appropriate projects in public housing or assistance under this title.

'(2) Discriminatory selection. - Paragraph (1) shall not apply to any family who decides not to occupy or accept an appropriate dwelling unit in public housing or to accept assistance under this Act on the basis of the race, color, religion, sex, disability, familial status, or national origin of occupants of housing or the surrounding area.

'(3) Appropriateness of dwelling units. - This section may not be construed to require a public housing agency to offer occupancy in any dwelling unit assisted under this Act to any family who is not of appropriate family size for the dwelling unit.

'(c) Prohibition of Evictions. - Any tenant who is lawfully residing in a dwelling unit in the project may not be evicted or otherwise required to vacate such unit because of the designation of the project (or portion of a project) or because of any action taken by the Secretary of Housing and Urban Development or any public housing agency pursuant to this section.

'(d) Accommodation of Housing and Service Needs. - In designing, developing, otherwise acquiring and operating, designating, and providing housing and assistance under this title, each public housing agency shall meet, to the extent practicable, the housing and service needs of eligible families applying for assistance under this title, as provided in any allocation plan of the agency approved under subsection (f). To meet such needs, public housing agencies may, wherever practicable and in accordance with any allocation plan of the agency -

'(1) provide housing in which supportive services are provided, facilitated, or coordinated, mixed housing, shared housing, family housing, group homes, congregate housing, and other housing as the public housing agency considers appropriate;

'(2) carry out major reconstruction of obsolete public housing projects and reconfiguration of public housing dwelling units; and

'(3) provide tenant-based assistance under section 811(b)(1).

'(e) Application for Designated Housing for Disabled Families.

'(1) Requirement. - A project (or portion of a project) may
be designated under subsection (a)(1) for occupancy by only disabled families only if the public housing agency administering the project complies with the other requirements of this section and the Secretary approves an application under this subsection for such designation. The Secretary shall establish the form and procedures for submission and approval of applications under this subsection.

'(2) Contents. - An application under this subsection shall contain -

'(i) a description of the projects (or portions of projects) to be designated (which may include group homes, independent living facilities, units in multifamily housing developments, condominium housing, cooperative housing, and scattered site housing);

'(ii) a supportive service plan -

'(I) describing the needs of persons with disabilities that the housing is expected to serve;

'(II) providing for delivery of supportive services appropriate to meet the individual needs of persons with disabilities occupying the housing;

'(III) describing the experience of the applicant (or service providers) in providing such services;

'(IV) describing the manner in which such services will be provided to such persons; and

'(V) identifying any State, local, other Federal, or other funds available for providing such services; and

'(iii) any other information or certification that the Secretary considers appropriate.

'(3) Approval. - The Secretary may approve an application under this subsection only if the Secretary determines that -

'(i) the persons with disabilities occupying the housing will receive supportive services based on their individual needs;

'(ii) the applicant (or service providers) have sufficient experience in providing supportive services;

'(iii) residential supervision will be provided in the housing sufficient to facilitate the provision of supportive services; and

'(iv) the supportive services are adequately designed
to meet the special needs of the tenants.

'(4) Supportive services - For purposes of this subsection, the term 'supportive services' means services designed to meet the special needs of tenants, and may include meal services, health-related services, mental health services, services for nonmedical counseling, meals, transportation, personal care, bathing, toileting, housekeeping, chore assistance, safety, group and socialization activities, assistance with medications (in accordance with any applicable State laws), case management, personal emergency response, and other appropriate services.

'(f) Allocation Plans.

'(1) Requirement. - A public housing agency may not designate a project (or portion of a project) for occupancy under subsection (a)(1) unless the agency submits an allocation plan under this subsection and the plan is approved under paragraph (4) of this subsection.

'(2) Contents. - An allocation plan submitted under this subsection by a public housing agency shall include -

'(A) a description of the projects (or portions of projects) to be designated and the types of tenants occupying such projects (or portions);

'(B) a description of the estimated pool of applicants for such housing, based on the waiting lists for such housing, and any information collected in the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act for the jurisdiction within which the area served by the public housing agency is located;

'(C) a statement identifying the projects or portions of projects (including the buildings or floors) to be designated for occupancy under subsection (a)(1) for only certain types of families, the types of families who will be eligible for occupancy in such projects (or portions), and the reasons for the designation;

'(D) documentation of the number of units in the projects (or portions) identified under subparagraph (C) which became vacant and available for occupancy during the preceding year;

'(E) an estimate of the number of units in the projects (or portions) identified under subparagraph (C) that will become vacant and available for occupancy during the ensuing 2-year period;

'(F) a description of the occupancy policies and procedures, including procedures for maintaining waiting
lists for eligible applicants who are elderly families or disabled families for occupancy in units in projects administered by the agency sufficient to document the number and duration of instances in which housing assistance for eligible applicants will be denied or delayed by the agency because of a lack of appropriately designated units;

'(G) a plan for securing sufficient additional resources that the agency owns, controls, or has received preliminary notification that it will obtain, or for which the agency plans to apply, that will be sufficient to provide assistance to not less than the number of nonelderly disabled families that would have been housed if occupancy in such units were not restricted pursuant to this section; and

'(H) any comments of agencies, organizations, or persons with whom the public housing agency consults under paragraph (3).

'(3) Development. - In preparing the initial allocation plan, or updates of a plan under paragraph (5), for submission under this subsection, a public housing agency shall consult with the State or unit of general local government in whose jurisdiction the area served by the public housing agency is located, public and private service providers, advocates for the interest of eligible elderly families, disabled families, and families with children, and other interested parties.

'(4) Approval. -

'(A) Criteria . - The Secretary shall approve an allocation plan, or an updated plan, submitted under this subsection if the Secretary determines that, based on the plan and comments submitted pursuant to paragraph (2)(H) -

'(i) the information contained in the plan is complete and accurate and the projections are reasonable;

'(ii) implementation of the plan will not result in excessive vacancy rates in projects (or portions of projects) identified in paragraph (2)(C); and

'(iii) the plan under paragraph (2)(G) can reasonably be achieved.

'(B) Notification . -

'(i) In general . - The Secretary shall notify each public housing agency submitting an allocation plan under this subsection in writing of approval or disapproval of the plan.
'(ii) Timing . - A plan shall be considered to be approved if the Secretary does not notify the public housing agency of approval or disapproval of the initial or revised plan within (I) 90 days after the submission of any plan that contains comments pursuant to paragraph (2)(H), or (II) 45 days for any other plan.

'(iii) Resubmission . - If the Secretary disapproves the plan, the Secretary shall, for a period of not less than 45 days following the date of disapproval, permit amendments to, or resubmission of, the plan.

'(C) Rule of construction . - The approval of an allocation plan or updated plan under this subsection may not be construed to constitute approval of any request for assistance for major reconstruction of obsolete projects, assistance for development or acquisition of public housing, or assistance under section 811(b)(1) of the Cranston-Gonzalez National Affordable Housing Act, that are contained in the plan pursuant to subparagraph (H).

'(5) Biannual update. -

'(A) In general . - Each public housing agency that owns or operates a project (or portion of a project) that is designated for occupancy under subsection (a)(1) shall update the plan of the agency under this subsection not less than once every 2 years, as the Secretary shall provide. The Secretary shall notify each public housing agency submitting an updated plan under this paragraph of approval or disapproval of the updated plan as required under paragraph (4)(B), and the provisions of such paragraph shall apply to updated plans under this paragraph.

'(B) Contents . - The updated plan shall include -

'(i) a review of the data and projections contained in the allocation plan and the most recent update submitted under this subsection;

'(ii) an assessment of the accuracy of the projections contained in such plan and update;

'(iii) a statement of the number of times a vacancy was filled pursuant to subsection (a)(4);

'(iv) a statement of the number of times an application for housing assistance by an eligible applicant was denied or delayed because of a lack of appropriately designated units; and

'(v) a plan for adjusting the allocation, if necessary, in accordance with the needs identified pursuant to this subparagraph.

'(C) Standards for approval . - The Secretary shall
establish standards for preparation, submission, and approval of updated plans.

'(g) Prohibition of Coercion . - No elderly or disabled family residing in any public housing project may be required to accept services.'.

(b) Occupancy Preferences. - The matter preceding clause (i) in section 6(c)(4)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)(4)(A)) is amended by striking 'specifically designated for elderly families' and inserting 'designated for occupancy pursuant to section 7(a)'.

(c) Definitions. - Section 3(c) of the United States Housing Act of 1937 (42 U.S.C. 1437a(c)) is amended by inserting after 'project.' the following new paragraphs:

'(4) The term 'congregate housing' means low-rent housing with which there is connected a central dining facility where wholesome and economical meals can be served to occupants. Expenditures incurred by a public housing agency in the operation of a central dining facility in connection with congregate housing (other than the cost of providing food and service) shall be considered a cost of operation of the project.

'(5) The terms 'group home' and 'independent living facility' have the meanings given such terms in section 811(k) of the Cranston-Gonzalez National Affordable Housing Act.

SEC. 623. TENANT-BASED ASSISTANCE FOR PERSONS WITH DISABILITIES.

(a) In General . - Section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013) is amended -

(1) by amending the section heading to read as follows:

'SEC. 811. SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES.';

(2) in subsection (b) -

(A) in the matter following paragraph (2) -

(i) by moving such matter 2 ems to the right; and

(ii) by striking 'Such assistance' and inserting 'assistance under this paragraph';

(B) by striking the subsection heading and all that follows through the end of paragraph (2) and inserting the following:

'(b) Authority To Provide Assistance . - The Secretary is authorized -
'(1) to provide tenant-based rental assistance to eligible persons with disabilities, in accordance with subsection (d)(4); and

'(2) to provide assistance to private, nonprofit organizations to expand the supply of supportive housing for persons with disabilities, which shall be provided as -

'(A) capital advances in accordance with subsection (d)(1), and

'(B) contracts for project rental assistance in accordance with subsection (d)(2);'

(3) in subsection (d) -

(A) in paragraphs (1) and (3), by striking 'this section' and inserting 'subsection (b)(2)'; and

(B) by adding at the end the following new paragraph -

'(4) Tenant-Based Rental Assistance. - Tenant-based rental assistance provided under subsection (b)(1) may be provided only through a public housing agency that has submitted, and had approved, an allocation plan under section 7(f) of the United States Housing Act of 1937, and a public housing agency shall be eligible to apply under this section only for the purposes of providing such assistance. Such assistance shall be made available to eligible persons with disabilities and administered under the same rules that govern rental assistance made available under section 8 of the United States Housing Act of 1937. In determining the amount of assistance provided under subsection (b)(1) for a public housing agency, the Secretary shall consider the needs of the agency as described in the allocation plan.';

(4) in subsection (e)(1), by striking 'this section' and inserting 'subsection (b)(2)';

(5) in subsection (f), in the first and second sentences, by striking 'this section' and inserting 'subsection (b)(2)'; and

(6) in subsection (g), by striking 'this section' and inserting 'subsection (b)(2)'.

(b) Section 8 Assistance  - Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), is amended by inserting after subsection (h) the following new subsection:

'(i) The Secretary may not consider the receipt by a public housing agency of assistance under section 811(b)(1) of the Cranston-Gonzalez National Affordable Housing Act, or the amount received, in approving assistance for the agency under this section or determining the amount of such assistance to be provided.'.
SEC. 624. DEVELOPMENT AND RECONSTRUCTION OF HOUSING FOR DISABLED FAMILIES.

(a) Set-Aside of Major Reconstruction Funds for Reconfiguration of Projects. - Section 5(j)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437c(j)(2)), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subparagraph:

'(G)(i) In fiscal years 1993 and 1994, the Secretary shall commit for use under clause (ii) not less than 5 percent of any amounts reserved under subparagraph (A) for each such fiscal year.

'(ii) The amounts referred to in clause (i) shall be available to public housing agencies only for use for projects (or portions of projects) designated for occupancy under section 7(a)(1) and (e) by disabled families.

'(iii) In allocating amounts reserved under this subparagraph among public housing agencies, the Secretary shall consider the need for any such amounts as identified in the allocation plans submitted by agencies under section 7(f).'

(b) Set-Aside of New Construction Funds for Housing Designed for Disabled Families and Single Persons. - Section 5(j) of the United States Housing Act of 1937 (42 U.S.C. 1437c(j)) is amended by adding at the end the following new paragraph:

'(3)(A) In fiscal years 1993 and 1994, the Secretary shall reserve for use under subparagraph (B) not less than 5 percent of any amounts approved in appropriation Acts for each such fiscal year for public housing grants under subsection (a)(2) that are not designated under such Acts for use under paragraph (2) of this subsection for the substantial redesign, reconstruction, or redevelopment of existing public housing projects, buildings, or units.

'(B) Any amount reserved under subparagraph (A) shall be available only to public housing agencies that have designated projects (or portions of projects) for occupancy under section 7(a)(1) for use only for the costs of development or acquisition of public housing projects or buildings designated for occupancy under section 7(a)(1) and (e) by disabled families. A building so assisted may not contain more than 25 dwelling units, except that the Secretary may (in the discretion of the Secretary) waive such limitation for a building.

'(C) The Secretary shall carry out a competition for budget authority reserved under subparagraph (A) among eligible public housing agencies and shall allocate such budget authority to public housing agencies pursuant to the competition, based on (i) the need of the agency for such assistance (taking into consideration the allocation plans submitted under section 7(f) by agencies), and
(ii) the extent to which the public housing projects and buildings to be developed or assisted meet the requirements of section 7(e).

(c) Requirement for Use of New Construction Funds for Projects Designated for Elderly Families. — Section 5(j)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437c(j)(1)) is amended —

(1) in subparagraph (D), by striking 'and' at the end;

(2) by redesignating subparagraph (E) as subparagraph (F); and

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

'(E) in the case of an application for development of projects (or portions of projects) designated under section 7(a)(1) for occupancy for elderly families, only if the agency certifies to the Secretary that the use of such assistance will assist in expanding the housing available for eligible persons with disabilities identified in the allocation plan for the agency submitted under section 7(f); and'.

SEC. 625. CONFORMING AMENDMENTS.

(a) United States Housing Act of 1937. — The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended —

(1) in section 3(b)(5)(B), by inserting 'or disabled' after 'elderly';

(2) in the last sentence of section 6(a), by striking 'the elderly' and inserting 'elderly or disabled families';

(3) in section 14(i)(1)(D)(ii), by striking 'elderly families and handicapped families' and inserting 'elderly and disabled families'; and

(4) in section 17(c)(2)(G)(i), by striking 'the elderly' and inserting 'elderly families'.

(b) Housing and Community Development Act of 1974. — The first sentence of section 209 of the Housing and Community Development Act of 1974 (42 U.S.C. 1438) is amended by striking 'the elderly or the handicapped' and inserting 'elderly or disabled families'.

SEC. 626. INAPPLICABILITY TO INDIAN PUBLIC HOUSING.

The amendments made by this subtitle shall not apply with respect to lower income housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority.

SUBTITLE C — STANDARDS AND OBLIGATIONS OF RESIDENCY IN FEDERALLY
ASSISTED HOUSING

SEC. 641. COMPLIANCE BY OWNERS AS CONDITION OF FEDERAL ASSISTANCE.

The Secretary of Housing and Urban Development shall require owners of federally assisted housing (as such term is defined in section 683(2)), as a condition of receiving housing assistance for such housing, to comply with the procedures and requirements established under this subtitle.

SEC. 642. COMPLIANCE WITH CRITERIA FOR OCCUPANCY AS REQUIREMENT FOR TENANCY.

In selecting tenants for occupancy of units in federally assisted housing, an owner of such housing shall utilize the criteria for occupancy in federally assisted housing established by the Secretary, by regulation, under section 643. If an owner determines that an applicant for occupancy in the housing does not meet such criteria, the owner may deny such applicant occupancy.

SEC. 643. ESTABLISHMENT OF CRITERIA FOR OCCUPANCY.

(a) Task Force. -

(1) Establishment. - To assist the Secretary in establishing reasonable criteria for occupancy in federally assisted housing, the Secretary shall establish a task force to review all rules, policy statements, handbooks, technical assistance memoranda, and other relevant documents issued by the Department of Housing and Urban Development on the standards and obligations governing residency in federally assisted housing and make recommendations to the Secretary for the establishment of such criteria for occupancy.

(2) Members. - The Secretary shall appoint members to the task force, which shall include individuals representing the interests of owners, managers, and tenants of federally assisted housing, public housing agencies, owner and tenant advocacy organizations, persons with disabilities and disabled families, organizations assisting homeless individuals, and social service, mental health, and other nonprofit service providers who serve federally assisted housing.

(3) Compensation. - Members of the task force shall not receive compensation for serving on the task force.

(4) Duties. - The task force shall -

(A) review all existing standards, regulations, and guidelines governing occupancy and tenant selection policies in federally assisted housing;

(B) review all existing standards, regulations, and guidelines governing lease provisions and other rules of
occupancy for federally assisted housing;

(C) determine whether the standards, regulations, and
guidelines reviewed under subparagraphs (A) and (B) provide
sufficient guidance to owners and managers of federally
assisted housing to -

(i) develop procedures for preselection inquiries
sufficient to determine the capacity of applicants to
comply with reasonable lease terms and conditions of
occupancy;

(ii) utilize leases that prohibit behavior which
endangers the health or safety of other tenants or
violates the rights of other tenants to peaceful
enjoyment of the premises;

(iii) assess the need to provide, and appropriate
measures for providing, reasonable accommodations
required under the Fair Housing Act and section 504 of
the Rehabilitation Act of 1973 for persons with various
types of disabilities; and

(iv) comply with civil rights laws and regulations;

(D) propose criteria for occupancy in federally assisted
housing, standards for the reasonable performance and
behavior of tenants of federally assisted housing,
compliance standards consistent with the reasonable
accommodation of the requirements of the Fair Housing Act
and section 504 of the Rehabilitation Act of 1973,
standards for compliance with other civil rights laws, and
procedures for the eviction of tenants not complying with
such standards consistent with sections 6 and 8 of the
United States Housing Act of 1937; and

(E) report to the Congress and the Secretary of Housing
and Urban Development pursuant to paragraph (7).

(5) Procedure. - In carrying out its duties, the task force
shall hold public hearings and receive written comments for a
period of not less than 60 days.

(6) Support. - The Secretary of Housing and Urban Development
shall cooperate fully with the task force and shall provide
support staff and office space to assist the task force in
carrying out its duties.

(7) Reports. - Not later than 3 months after the date of
enactment of this Act, the task force shall submit to the
Secretary and the Congress a preliminary report describing its
initial actions. Not later than 6 months after the date of
enactment of this Act, the task force shall submit a report to
the Secretary and the Congress, which shall include -

(A) a description of its findings; and

(B) recommendations to revise such standards, regulations, and guidelines to provide accurate and complete guidance to owners and managers of federally assisted housing as determined necessary under paragraph (4).

(b) Rulemaking. -

(1) Authority. - The Secretary shall, by regulation, establish criteria for selection of tenants for occupancy in federally assisted housing and lease provisions for such housing.

(2) Standards. - The criteria shall provide sufficient guidance to owners and managers of federally assisted housing to enable them to (A) select tenants capable of complying with reasonable lease terms, (B) utilize leases prohibiting behavior which endangers the health or safety of others or violates the right of other tenants to peaceful enjoyment of the premises, (C) comply with legal requirements to make reasonable accommodations for persons with disabilities, and (D) comply with civil rights laws. The criteria shall be consistent with the requirements under subsections (k) and (l) of section 6 and section 8(d)(1) of the United States Housing Act of 1937 and any similar contract and lease requirements for federally assisted housing. In establishing the criteria, the Secretary shall take into consideration the report of the task force under subsection (a)(7).

(3) Procedure. - Not later than 90 days after the submission of the final report under subsection (a)(7), the Secretary shall issue a notice of proposed rulemaking of the regulations under this subsection providing for notice and opportunity for public comment regarding the 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 under such section 553 shall not be less than 60 days. The Secretary shall issue final regulations under this subsection not later than the expiration of the 60-day period beginning upon the conclusion of the comment period, which shall take effect upon issuance.

SEC. 644. ASSISTED APPLICATIONS.

(a) Authority. - The Secretary shall provide that any individual or family applying for occupancy in federally assisted housing may include in the application for the housing the name, address, phone number, and other relevant information of a family member, friend, or social, health, advocacy, or other organization,
and that the owner shall treat such information as confidential.

(b) Maintenance of Information . - The Secretary shall require the owner of any federally assisted housing receiving an application including such information to maintain such information for any applicants who become tenants of the housing, for the purposes of facilitating contact by the owner with such person or organization to assist in providing any services or special care for the tenant and assist in resolving any relevant tenancy issues arising during the tenancy of such tenant.

(c) Limitations . - An owner of federally assisted housing may not require any individual or family applying for occupancy in the housing to provide the information described in subsection (a).

SUBTITLE D - AUTHORITY TO PROVIDE PREFERENCES FOR ELDERLY RESIDENTS AND UNITS FOR DISABLED RESIDENTS IN CERTAIN SECTION 8 ASSISTED HOUSING

SEC. 651. AUTHORITY.

Notwithstanding any other provision of law, an owner of a covered section 8 housing project (as such term is defined in section 659) designed primarily for occupancy by elderly families may, in selecting tenants for units in the project that become available for occupancy, give preference to elderly families who have applied for occupancy in the housing, subject to the requirements of this subtitle.

SEC. 652. RESERVATION OF UNITS FOR DISABLED FAMILIES.

(a) Requirement . - Notwithstanding any other provision of law, for any project for which an owner gives preference in occupancy to elderly families pursuant to section 651, such owner shall (subject to sections 653, 654, and 655) reserve units in the project for occupancy only by disabled families who are not elderly or near-elderly families (and who have applied for occupancy in the housing) in the number determined under subsection (b).

(b) Number of Units . - Each owner required to reserve units in a project for occupancy under subsection (a) shall reserve a number of units in the project that is not less than the lesser of -

(1) the number of units equivalent to the higher of -

(A) the percentage of units in the project that were occupied by such disabled families upon the date of the enactment of this Act; or

(B) the percentage of units in the project that were occupied by such families upon January 1, 1992; or

(2) 10 percent of the number of units in the project.
SEC. 653. SECONDARY PREFERENCES.

(a) Insufficient Elderly Families . - If an owner of a covered section 8 housing project in which elderly families are given a preference for occupancy pursuant to section 651 determines (in accordance with regulations established by the Secretary) that there are insufficient numbers of elderly families who have applied for occupancy in the housing to fill all the units in the project not reserved under section 652, the owner may give preference for occupancy of such units to disabled families who are near-elderly families and have applied for occupancy in the housing.

(b) Insufficient Non-Elderly Disabled Families . - If an owner of a covered section 8 housing project in which elderly families are given a preference for occupancy pursuant to section 651 determines (in accordance with regulations established by the Secretary) that there are insufficient numbers of disabled families who are not elderly or near-elderly families and have applied for occupancy in the housing to fill all the units in the project reserved under section 652, the owner may give preference for occupancy of units so reserved to disabled families who are near-elderly families and have applied for occupancy in the housing.

SEC. 654. GENERAL AVAILABILITY OF UNITS.

If an owner of a covered section 8 housing project in which disabled families who are near-elderly families are given a preference for occupancy pursuant to subsection (a) or (b) of section 653 determines (in accordance with regulations established by the Secretary) that there are an insufficient number of such families to fill all the units in the project for which the preference is applicable, the owner shall make such units generally available for occupancy by families who have applied, and are eligible, for occupancy in the housing, without regard to the preferences established pursuant to this subtitle.

SEC. 655. PREFERENCE WITHIN GROUPS.

Among disabled families qualifying for occupancy in units reserved under section 652, and among elderly families and near-elderly families qualifying for preference for occupancy pursuant to section 651 or 653, preference for occupancy in units that are assisted under section 8 of the United States Housing Act of 1937 shall be given to disabled families according to the preferences for occupancy referred to in section 8(d)(1)(A)(i) of the United States Housing Act of 1937 and the first sentence of section 8(o)(3)(B) of such Act, to elderly families according to such preferences, and to near-elderly families according to such preferences, respectively.

SEC. 656. PROHIBITION OF EVICTIONS.

Any tenant who, except for reservation of a percentage of the
units of a project pursuant to section 652 or any preference for occupancy established pursuant to this subtitle, is lawfully residing in a dwelling unit in a covered section 8 housing project, may not be evicted or otherwise required to vacate such unit because of the reservation or preferences or because of any action taken by the Secretary of Housing and Urban Development or the owner of the project pursuant to this subtitle.

SEC. 657. TREATMENT OF COVERED SECTION 8 HOUSING NOT SUBJECT TO ELDERLY PREFERENCE.

If an owner of any covered section 8 housing project designed primarily for occupancy by elderly families does not give preference in occupancy to elderly families as authorized in this subtitle, then elderly families (as such term was defined in section 3 of the United States Housing Act of 1937 before the date of the enactment of this Act) shall be eligible for occupancy in such housing to the same extent that such families were eligible before the date of the enactment of this Act.

SEC. 658. TREATMENT OF OTHER FEDERALLY ASSISTED HOUSING.

(a) Restricted Occupancy. - An owner of any federally assisted project (or portion of a project) as described in subparagraphs (D), (E), and (F) of section 683(2) that was designed for occupancy by elderly families may continue to restrict occupancy in such project (or portion) to elderly families in accordance with the rules, standards, and agreements governing occupancy in such housing in effect at the time of the development of the housing.

(b) Prohibition of Evictions . - Any tenant who is lawfully residing in a dwelling unit in a housing project described in subsection (a) may not be evicted or otherwise required to vacate such unit because of any reservation or preferences under this subtitle or because of any action taken by the Secretary of Housing and Urban Development or the owner of the project pursuant to this subtitle.

SEC. 659. COVERED SECTION 8 HOUSING.

For purposes of this subtitle, the term 'covered section 8 housing' means housing described in section 683(2)(G) that was originally designed for occupancy by elderly families.

SEC. 660. SECTION 8 PREFERENCE.

Section 8(d) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)) is amended by adding at the end the following new paragraph:

'(4) A public housing agency that serves more than one unit of general local government may, at the discretion of the agency, in allocating assistance under this section, give priority to disabled families that are not elderly families.'
SEC. 661. STUDY.

The Secretary of Housing and Urban Development shall conduct a study to determine the extent to which Federal housing programs serve elderly families, disabled families, and families with children, in relation to the need of such families who are eligible for assistance under such programs. The Secretary shall submit a report to the Congress describing the study and the findings of the study not later than the expiration of the 1-year period beginning on the date of the enactment of this Act.

SUBTITLE E - SERVICE COORDINATORS FOR ELDERLY AND DISABLED RESIDENTS OF FEDERALLY ASSISTED HOUSING

SEC. 671. REQUIREMENT TO PROVIDE SERVICE COORDINATORS.

(a) In General. - To the extent that amounts are made available to carry out this subtitle pursuant to the amendments made by this subtitle, the Secretary shall require owners of covered federally assisted housing projects (as such term is defined in subsection (d)) receiving such amounts to provide for employing or otherwise retaining the services of one or more individuals to coordinate the provision of supportive services for elderly and disabled families residing in the projects (in this section referred to as a 'service coordinator'). No such elderly or disabled family may be required to accept services.

(b) Responsibilities. - Each service coordinator of a covered federally assisted housing project provided pursuant to this subtitle or the amendments made by this subtitle -

(1) shall consult with the owner of the housing, tenants, any tenant organizations, any resident management organizations, service providers, and any other appropriate persons, to identify the particular needs and characteristics of elderly and disabled families who reside in the project and any supportive services related to such needs and characteristics;

(2) shall manage and coordinate the provision of such services for residents of the project;

(3) may provide training to tenants of the project in the obligations of tenancy or coordinate such training;

(4) shall meet the minimum qualifications and standards required under section 802(d)(4) of the Cranston-Gonzalez National Affordable Housing Act; and

(5) may carry out other appropriate activities for residents of the project.

(c) Included Services. - Supportive services referred to under subsection (b)(1) may include health-related services, mental
health services, services for nonmedical counseling, meals, transportation, personal care, bathing, toileting, housekeeping, chore assistance, safety, group and socialization activities, assistance with medications (in accordance with any applicable State laws), case management, personal emergency response, and other appropriate services. The services may be provided through any agency of the Federal Government or any other public or private department, agency, or organization.

(d) Covered Federally Assisted Housing. - For purposes of this subtitle, the term 'covered federally assisted housing' means housing that is federally assisted housing (as such term is defined in section 683(2), except that such term does not include housing described in subparagraphs (C) and (D) of such section.

SEC. 672. REQUIRED TRAINING OF SERVICE COORDINATORS.

Section 802(d)(4) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8011(d)(4)) is amended by inserting after the period at the end of the first sentence beginning after subparagraph (E) the following new sentence: 'Such qualifications and standards shall include requiring each service coordinator to be trained in the aging process, elder services, disability services, eligibility for and procedures of Federal and applicable State entitlement programs, legal liability issues relating to providing service coordination, drug and alcohol use and abuse by the elderly, and mental health issues.'.

SEC. 673. COSTS OF PROVIDING SERVICE COORDINATORS IN PUBLIC HOUSING.

Section 9(a)(1)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437g(a)(1)(B)) is amended -

(1) in the first sentence, by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively;

(2) in the second sentence -

(A) by striking 'subparagraph' and inserting 'clause';

(B) by inserting 'or section 802 of the Cranston-Gonzalez National Affordable Housing Act' after 'Congregate Housing Services Act of 1978'; and

(C) by inserting a period after 'section 811 of the Cranston-Gonzalez National Affordable Housing Act';

(3) by inserting '(i)' after the subparagraph designation; and

(4) by adding at the end the following new clause:

'(ii) Annual contributions under this section to any public
housing agency for any project may be used, with respect to such project, for (I) the cost of employing or otherwise retaining the services of one or more service coordinators under section 661 of the Housing and Community Development Act of 1992 to coordinate the provision of any supportive services within the project for residents of the project who are elderly families and disabled families, and (II) expenses for the provision of such services for such residents of the project. Not more than 15 percent of the cost of the provision of such services may be provided under this section. Services may not be provided under this clause for any person receiving assistance under the Congregate Housing Services Act of 1978 or section 802 of the Cranston-Gonzalez National Affordable Housing Act. The budget authority available under section 5(c) for assistance under this section is authorized to be increased by $30,000,000 on or after October 1, 1992, and by $30,000,000 on or after October 1, 1993. Amounts made available under this clause shall be used to provide additional annual contributions to public housing agencies only for the purpose of providing service coordinators and services under this clause for public housing projects.'.

SEC. 674. COSTS OF PROVIDING SERVICE COORDINATORS IN PROJECT-BASED SECTION 8 HOUSING.

Section 8(d)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(2)) is amended by adding at the end the following new subparagraph:

'(F)(i) In determining the amount of assistance provided under an assistance contract for project-based assistance under this paragraph or a contract for assistance for housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of this Act (as such section existed immediately before October 1, 1983), the Secretary may consider and annually adjust, with respect to such project, for the cost of employing or otherwise retaining the services of one or more service coordinators under section 661 of the Housing and Community Development Act of 1992 to coordinate the provision of any services within the project for residents of the project who are elderly or disabled families.

'(ii) The budget authority available under section 5(c) for assistance under this section is authorized to be increased by $15,000,000 on or after October 1, 1992, and by $15,000,000 on or after October 1, 1993. Amounts made available under this subparagraph shall be used to provide additional amounts under annual contributions contracts for assistance under this section which shall be made available through assistance contracts only for the purpose of providing service coordinators under clause (i) for projects receiving project-based assistance under this paragraph and to provide additional amounts under contracts for assistance for projects constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of this Act (as such section existed immediately before October 1, 1983) only for such
SEC. 675. COSTS OF PROVIDING SERVICE COORDINATORS FOR FAMILIES RECEIVING FEDERAL TENANT-BASED ASSISTANCE.

Section 8(q) of the United States Housing Act of 1937 (42 U.S.C. 1437f(q)) is amended -

(1) by redesignating paragraph (3) as paragraph (4); and

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

'(3)(A) Fees under this subsection may be used for the costs of employing or otherwise retaining the services of one or more service coordinators under section 661 of the Housing and Community Development Act of 1992 to coordinate the provision of supportive services for elderly families and disabled families on whose behalf tenant-based assistance is provided under this section or section 811(b)(1). Such service coordinators shall have the same responsibilities with respect to such families as service coordinators of covered federally assisted housing projects have under section 661 of such Act with respect to residents of such projects.

'(B) To the extent amounts are provided in appropriation Acts under subparagraph (C), the Secretary shall increase fees under this subsection to provide for the costs of such service coordinators for public housing agencies.

'(C) The budget authority available under section 5(c) for assistance under this section is authorized to be increased by $5,000,000 on or after October 1, 1992, and by $5,000,000 on or after October 1, 1993. Amounts made available under this subparagraph shall be used to provide additional amounts under annual contributions contracts for increased fees under this subsection, which shall be used only for the purpose of providing service coordinators for public housing agencies described in subparagraph (A).'.

SEC. 676. GRANTS FOR COSTS OF PROVIDING SERVICE COORDINATORS IN MULTIFAMILY HOUSING ASSISTED UNDER NATIONAL HOUSING ACT.

(a) Authority. - The Secretary may make grants under this section to owners of federally assisted housing projects described in subparagraphs (E) and (F) of section 683(2). Any grant amounts shall be used for the costs of employing or otherwise retaining the services of one or more service coordinators under section 661 to coordinate the provision of any services within the project for residents of the project who are elderly families and disabled families (as such terms are defined in section 683 of this Act).

(b) Application and Selection. - The Secretary shall provide for the form and manner of applications for grants under this section
and for selection of applicants to receive such grants.

(c) Authorization of Appropriations. - There are authorized to be appropriated for fiscal years 1993 and 1994 such sums as may be necessary for grants under this section.

(d) Eligible Project Expense. - For any federally assisted housing project described in subparagraph (E) or (F) of section 683(2) that does not receive a grant under this section, the cost of employing or otherwise retaining the services of one or more service coordinators under section 661 and not more than 15 percent of the cost of providing services to the residents of the project shall be considered an eligible project expense, but only to the extent that amounts are available from project rent and other income for such costs.

SEC. 677. EXPANDED RESPONSIBILITIES OF SERVICE COORDINATORS IN SECTION 202 HOUSING.

(a) Supportive Housing for the Elderly. - Section 202(g) of the Housing Act of 1959 (12 U.S.C. 1701q(g)), as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act, is amended -

(A) in paragraph (2), by striking the last sentence; and

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

'(3) Service coordinators. - Any cost associated with employing or otherwise retaining a service coordinator in housing assisted under this section shall be considered an eligible cost under subsection (c)(2). If a project is receiving congregate housing services assistance under section 802 of the Cranston-Gonzalez National Affordable Housing Act, the amount of costs provided under subsection (c)(2) for the project service coordinator may not exceed the additional amount necessary to cover the costs of providing for the coordination of services for residents of the project who are not eligible residents under such section 802. To the extent that amounts are available pursuant to subsection (c)(2) for the costs of carrying out this paragraph within a project, an owner of housing assisted under this section shall provide a service coordinator for the housing to coordinate the provision of services under this subsection within the housing.'.

(b) Old Section 202 Projects. -

(1) Availability of section 8 assistance. - Subject to the availability of appropriations for contract amendments for the purpose of this paragraph, in determining the amount of assistance under section 8 of the United States Housing Act of 1937 to be provided for a project assisted under section 202 of the Housing Act of 1959, as in effect before the effectiveness of the amendments made by section 801 of the Cranston-Gonzalez
National Affordable Housing Act, the Secretary shall consider (and annually adjust for) the costs of—

(A) employing or otherwise retaining the services of one or more service coordinators under section 661 of this Act to coordinate the provision of any services within the project for residents of the project who are elderly families and disabled families; and

(B) expenses for the provision of such services.

Not more than 15 percent of the cost of the provision of services under subparagraph (B) may be considered under this paragraph for purposes of determining the amount of assistance provided.

(2) Inapplicability of hud reform act provisions. — Notwithstanding section 102 of the Department of Housing and Urban Development Reform Act of 1989, the provisions of paragraphs (1), (2), and (3) of subsection (a) of such section shall not apply to amendments to contracts under section 8 of the United States Housing Act of 1937 made to carry out the purposes of paragraph (1) of this subsection.

(3) Limitation. — If a project is receiving congregate housing services assistance under the Congregate Housing Services Act of 1978 or section 802 of the Cranston-Gonzalez National Affordable Housing Act, the amount of costs provided pursuant to paragraph (1) for the project may not exceed the additional amount necessary to cover the costs of providing for the coordination of services for residents of the project who are not eligible residents under such section 802 or eligible project residents under the Congregate Housing Services Act of 1978, as applicable.

SUBTITLE F - GENERAL PROVISIONS

SEC. 681. COMPREHENSIVE HOUSING AFFORDABILITY STRATEGIES.

Section 105(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)) is amended—

(1) in paragraph (1) by inserting 'persons with disabilities,' after 'the elderly,'; and

(2) by adding after paragraph (16), as added by the preceding provisions of this Act, the following new paragraph:

'(17) describe the jurisdictions activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health, and service agencies.'.

SEC. 682. CONFORMING AMENDMENTS.
(a) Public Housing. - Section 6(c)(4) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)(4)) is amended -

(1) by striking 'and' at the end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting '; and'; and

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

'(F) requiring the public housing agency to ensure and maintain compliance with subtitle C of title VI of the Housing and Community Development Act of 1992 and any regulations issued under such subtitle.'.

(b) Project-Based Section 8 Housing. - Section 8(d)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(2)), as amended by section 664 of this Act, is further amended by adding at the end the following new subparagraphs:

'(G) An assistance contract for project-based assistance under this paragraph shall provide that the owner shall ensure and maintain compliance with subtitle C of title VI of the Housing and Community Development Act of 1992 and any regulations issued under such subtitle.

'(H) Notwithstanding subsection (d)(1)(A)(i), an owner of a covered section 8 housing project (as such term is defined in section 659 of the Housing and Community Development Act of 1992) may give preference for occupancy of dwelling units in the project, and reserve units for occupancy, in accordance with subtitle D of title VI of the Housing and Community Development Act of 1992.'.

(c) Supportive Housing for the Elderly. - Section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act, is amended -

(1) in subsection (i)(1), by inserting after the first sentence the following new sentence: 'Such tenant selection procedures shall comply with subtitle C of title VI of the Housing and Community Development Act of 1992 and any regulations issued under such subtitle.'; and

(2) in subsection (j), by adding after paragraph (6) (as added by section 601(d) of this Act) the following new paragraph:

'(7) Compliance with housing and community development act of 1992. - Each owner shall operate housing assisted under this section in compliance with subtitle C of title VI of the Housing and Community Development Act of 1992 and any regulations issued under such subtitle.'.
SEC. 683. DEFINITIONS.

For purposes of this title:

(1) Elderly, disabled, and near-elderly families. - The terms 'elderly family', 'disabled family', and 'near-elderly family' have the meanings given the terms under section 3(b)(3) of the United States Housing Act of 1937.

(2) Federally assisted housing. - The terms 'federally assisted housing' and 'project' mean -

   (A) a public housing project (as such term is defined in section 3(b) of the United States Housing Act of 1937);

   (B) housing for which project-based assistance is provided under section 8 of the United States Housing Act of 1937;

   (C) housing that is assisted under section 202 of the Housing Act of 1959 (as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act);

   (D) housing that is assisted under section 202 of the Housing Act of 1959, as such section existed before the enactment of the Cranston-Gonzalez National Affordable Housing Act;

   (E) housing financed by a loan or mortgage insured under section 221(d)(3) of the National Housing Act that bears interest at a rate determined under the proviso of section 221(d)(5) of such Act;

   (F) housing insured, assisted, or held by the Secretary or a State or State agency under section 236 of the National Housing Act; and

   (G) housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of the United States Housing Act of 1937, as in effect before October 1, 1983, that is assisted under a contract for assistance under such section.

(3) Housing assistance. - The term 'housing assistance' means, with respect to federally assisted housing, the grant, contribution, capital advance, loan, mortgage insurance, or other assistance provided for the housing under the provisions of law referred to in paragraph (2). The term also includes any related assistance provided for the housing by the Secretary, including any rental assistance for low-income occupants.

(4) Owner. - The term 'owner' means, with respect to federally assisted housing, the entity or private person,
including a cooperative or public housing agency, that has the legal right to lease or sublease dwelling units in such housing.

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

SEC. 684. APPLICABILITY.

Except as otherwise provided in subtitles B through F of this title and the amendments made by such subtitles, such subtitles and the amendments made by such subtitles shall apply upon the expiration of the 6-month period beginning on the date of the enactment of this Act.

SEC. 685. REGULATIONS.

The Secretary shall issue regulations necessary to carry out subtitles B through F of this title and the amendments made by such subtitles not later than the expiration of the 6-month period beginning on the date of the enactment of this Act. The regulations shall be issued after notice and opportunity for public comment 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).

TITLE VIII - COMMUNITY DEVELOPMENT

SUBTITLE A - COMMUNITY DEVELOPMENT BLOCK GRANTS

SEC. 801. COMMUNITY DEVELOPMENT AUTHORIZATIONS.

(a) Community Development Block Grants. - Section 103 of the Housing and Community Development Act of 1974 (42 U.S.C. 5303) is amended by striking the second and third sentences and inserting the following: 'For purposes of assistance under section 106, there are authorized to be appropriated $4,000,000,000 for fiscal year 1993 and $4,168,000,000 for fiscal year 1994.

(b) Limitation on Loan Guarantees. - The fifth sentence of section 108(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5308(a)) is amended to read as follows: 'Notwithstanding any other provision of law and subject only to the absence of qualified applicants or proposed activities and to the authority provided in this section, to the extent approved or provided in appropriation Acts, the Secretary shall enter into commitments to guarantee notes and obligations under this section with an aggregate principal amount of $2,000,000,000 for fiscal year 1993 and $2,000,000,000 for fiscal year 1994.'.

(c) Special Purpose Grants. -

(1) Set-aside. - Section 107 of the Housing and Community Development Act of 1974 (42 U.S.C. 5307) is amended by striking
'Sec. 107. (a)' and all that follows through the end of subsection (a) and inserting the following:

'Sec. 107. (a) Set-Aside. -

'(1) In general. - For each fiscal year (except as otherwise provided in this paragraph), of the total amount provided in appropriation Acts under section 103 for the fiscal year, $60,000,000 shall be set aside for grants under subsection (b) for such year for the following purposes:

'(A) $7,000,000 shall be available for grants under subsection (b)(1);

'(B) $6,500,000 shall be available for grants under subsection (b)(3);

'(C) $6,000,000 shall be available for grants under subsection (b)(5);

'(D) $6,000,000 shall be available in fiscal year 1993 for grants under subsection (b)(7);

'(E) $3,000,000 shall be available for grants under subsection (c);

'(F) such sums as may be necessary shall be available for grants under paragraphs (2), (4), and (6) of subsection (b);

'(G) $2,000,000 shall be available in fiscal year 1993 for a grant to the City of Bridgeport, Connecticut, subject to the approval of sufficient amounts in an appropriation Act and to binding commitments made by the City of Bridgeport and the State of Connecticut that the city and State, respectively, will supplement such amount with $2,000,000 of additional funds;

'(H) $15,000,000 shall be available for grants under the Removal of Regulatory Barriers to Affordable Housing Act of 1992; and

'(I) $7,500,000 shall be available to carry out the Community Outreach Partnership Act of 1992.

'(2) Treatment of grants. - Any grants made under this section shall be in addition to any other grants that may be made under this title to the same entities for the same purposes.'.

(2) Other purposes . - Section 107(b) of the Housing and Community Development Act of 1974 (42 U.S.C. 5307(b)) is amended -

(A) in paragraph (3), by striking 'and' at the end;
(B) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

'(5) to States and units of general local government and institutions of higher education having a demonstrated capacity to carry out eligible activities under this title, except that the Secretary may make a grant under this paragraph only to a State or unit of general local government that jointly, with an institution of higher education, has prepared and submitted to the Secretary an application for such grant, as the Secretary shall by regulation require;

'(6) to units of general local government in nonentitlement areas for planning community adjustments and economic diversification activities, which may include any eligible activities under section 105, required -

'(A) by the proposed or actual establishment, realignment, or closure of a military installation,

'(B) by the cancellation or termination of a Department of Defense contract or the failure to proceed with an approved major weapon system program, or

'(C) by a publicly announced planned major reduction in Department of Defense spending that would directly and adversely affect a unit of general local government and will result in the loss of 1,000 or more full-time Department of Defense and contractor employee positions over a 5-year period in the unit of general local government and the surrounding area, or

if the Secretary (in consultation with the Secretary of Defense) determines that an action described in subparagraph (A), (B), or (C) is likely to have a direct and significant adverse consequence on the unit of general local government; and

'(7) for the purposes of rebuilding and revitalizing distressed areas of the Los Angeles metropolitan area.'.

(3) Regulations. - Not later than the expiration of the 60-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall issue proposed regulations to carry out section 107(b)(6) of the Housing and Community Development Act of 1974, as added by subsection (c)(2) of this section. The Secretary shall issue final regulations to carry out section 107(b)(6) not later than the expiration of the 120-day period beginning on the date of the enactment of this Act and after notice and opportunity for public comment pursuant to the provisions of section 553 of
(4) Conforming amendment. - Section 102(a)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(1)) is amended by striking 'recognized by the Secretary' and inserting the following: 'that, except as provided in section 106(d)(4), is recognized by the Secretary'.

(d) Grant Activities. - The special purpose grant of the City of Dubuque, Iowa, under Public Law 102-139 may be used for land acquisition, new construction, relocation assistance payments, and rehabilitation for housing of low- and moderate-income families.

SEC. 802. UNITS OF GENERAL LOCAL GOVERNMENT.

(a) Definition. - Section 102(a)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(1)) is amended by striking 'recognized by the Secretary' and inserting the following: 'that, except as provided in section 106(d)(4), is recognized by the Secretary'.

(b) Grants to Nonentitlement Areas. - Section 106(d) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(d)) is amended by inserting after paragraph (3) the following new paragraph:

'(4) Any combination of units of general local governments may not be required to obtain recognition by the Secretary pursuant to section 102(a)(1) to be treated as a single unit of general local government for purposes of this subsection.'.

SEC. 803. URBAN COUNTIES.

Section 102(a)(6)(D) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(6)(D)) is amended -

(1) in clause (iii), by striking 'or' at the end;

(2) in clause (iv), by striking the period at the end and inserting '; or'; and

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

'(v)(I) has a population of 175,000 or more (including the population of metropolitan cities therein), (II) before January 1, 1975, was designated by the Secretary of Defense pursuant to section 608 of the Military Construction Authorization Act, 1975 (Public Law 93-552; 88 Stat. 1763), as a Trident Defense Impact Area, and (III) has located therein not less than 1 unit of general local government that was classified as a metropolitan city and (a) for which county each such unit of general local government therein has relinquished its classification as a
metropolitan city under the 6th sentence of paragraph (4), or (b) that has entered into cooperative agreements with each metropolitan city therein to undertake or to assist in the undertaking of essential community development and housing assistance activities.'.

SEC. 804. RETENTION OF PROGRAM INCOME.

The first sentence of section 104(j) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(j)) is amended -

(1) by striking 'while the unit of general local government is participating in a community development program under this title'; and

(2) by inserting before the period at the end the following: '; except that the Secretary may, by regulation, exclude from consideration as program income any amounts determined to be so small that compliance with this subsection creates an unreasonable administrative burden on the unit of general local government'.

SEC. 805. ECONOMIC DEVELOPMENT.

(b) Section 105 of the Housing and Community Development Act of 1974 (42 U.S.C. 5305) is amended by adding at the end the following new subsection:

'(d) Training Program. - The Secretary shall implement, using funds recaptured pursuant to section 119(o), an on-going education and training program for officers and employees of the Department, especially officers and employees of area and other field offices of the Department, who are responsible for monitoring and administering activities pursuant to paragraphs (14), (15), and (17) of subsection (a) for the purpose of ensuring that (A) such personnel possess a thorough understanding of such activities; and (B) regulations and guidelines are implemented in a consistent fashion.'.

SEC. 806. EVALUATION, SELECTION, AND REVIEW OF ECONOMIC DEVELOPMENT PROJECTS.

(a) Guidelines . - Section 105 of the Housing and Community Development Act of 1974 (42 U.S.C. 5305), as amended by section 805, is amended by adding at the end the following new subsection:

'(e) Guidelines for Evaluating and Selecting Economic Development Projects . -

'(1) Establishment . - The Secretary shall establish, by regulation, guidelines to assist grant recipients under this title to evaluate and select activities described in section 105(a) (14), (15), and (17) for assistance with grant amounts. The Secretary shall not base a determination of eligibility of the use of funds
under this title for such assistance solely on the basis that the recipient fails to achieve one or more of the guidelines' objectives as stated in paragraph (2).

'(2) Project costs and financial requirements . - The guidelines established under this subsection shall include the following objectives:

'(A) The project costs of such activities are reasonable.

'(B) To the extent practicable, reasonable financial support has been committed for such activities from non-Federal sources prior to disbursement of Federal funds.

'(C) To the extent practicable, any grant amounts to be provided for such activities do not substantially reduce the amount of non-Federal financial support for the activity.

'(D) Such activities are financially feasible.

'(E) To the extent practicable, such activities provide not more than a reasonable return on investment to the owner.

'(F) To the extent practicable, grant amounts used for the costs of such activities are disbursed on a pro rata basis with amounts from other sources.

'(3) Public benefit . - The guidelines established under this subsection shall provide that the public benefit provided by the activity is appropriate relative to the amount of assistance provided with grant amounts under this title.'.

(b) Assistance to For-Profit Entities. - Section 105 of the Housing and Community Development Act of 1974 (42 U.S.C. 5305), as amended by subsection (a), is amended by inserting at the end the following new subsection:

'(f) Assistance to For-Profit Entities. - In any case in which an activity described in paragraph (17) of subsection (a) is provided assistance such assistance shall not be limited to activities for which no other forms of assistance are available or could not be accomplished but for that assistance."

(c) GAO Study . - The Comptroller General of the United States shall conduct a study of the use of grant amounts under title I of the Housing and Community Development Act of 1974 for activities described in paragraphs (14), (15), and (17) of section 105(a) of such Act. The study shall evaluate whether the activities for which such amounts are being used under such paragraphs further the goals and objectives of such program, as established in section 101 of such Act. The Comptroller General shall submit a report to the Congress regarding the findings of the study not later than the
expiration of the 18-month period beginning on the date of the enactment of this Act. The report shall include recommendations of -

(1) any administrative or legislative actions that may be taken to ensure that such grant amounts are properly and efficiently used for economic development activities; and

(2) criteria by which to evaluate the effectiveness of activities assisted under paragraphs (14), (15), and (17) of such section 105(a).

(d) Enhancing Job Quality. - Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit to the Congress a report on the types and quality of jobs created or retained through assistance provided pursuant to title I of the Housing and Community Development Act of 1974 and the extent to which projects and activities assisted under that title enhance the upward mobility and future earning capacity of low- and moderate-income persons who are benefited by such projects and activities.

(e) Rebuilding Distressed Neighborhoods. - Section 105(c) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(c)) is amended by adding at the end the following new paragraph:

'(4) For the purposes of subsection (c)(1)(C) -

'(A) if an employee resides in, or the assisted activity through which he or she is employed, is located in a census tract that meets the Federal enterprise zone eligibility criteria, the employee shall be presumed to be a person of low- or moderate-income; or

'(B) if an employee resides in a census tract where not less than 70 percent of the residents have incomes at or below 80 percent of the area median, the employee shall be presumed to be a person of low or moderate income.'.

SEC. 807. ELIGIBLE ACTIVITIES.

(a) Additional Eligible Activities. - Section 105(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)) is amended -

(1) in paragraph (8), by inserting before the semicolon at the end the following: ', and except that of any amount of assistance under this title (including program income) in each of fiscal years 1993 through 1997 to the City of Los Angeles and County of Los Angeles, each such unit of general government may use not more than 25 percent in each such fiscal year for activities under this paragraph';

(2) in paragraph (19), by striking 'and' at the end;
(3) by redesignating paragraph (20) as paragraph (25); and

(4) by inserting after paragraph (19) the following new paragraphs:

'(20) provision of technical assistance to public or nonprofit entities to increase the capacity of such entities to carry out eligible neighborhood revitalization or economic development activities, which assistance shall not be considered a planning cost as defined in paragraph (12) or administrative cost as defined in paragraph (13);

'(21) housing services, such as housing counseling, energy auditing, preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in housing activities authorized under this section, or under title II of the Cranston-Gonzalez National Affordable Housing Act, except that activities under this paragraph shall be subject to any limitation on administrative expenses imposed by any law;

'(22) provision of assistance by recipients under this title to institutions of higher education having a demonstrated capacity to carry out eligible activities under this subsection for carrying out such activities;

'(23) provision of assistance to public and private organizations, agencies, and other entities (including nonprofit and for-profit entities) to enable such entities to facilitate economic development by -

'(A) providing credit (including providing direct loans and loan guarantees, establishing revolving loan funds, and facilitating peer lending programs) for the establishment, stabilization, and expansion of microenterprises;

'(B) providing technical assistance, advice, and business support services (including assistance, advice, and support relating to developing business plans, securing funding, conducting marketing, and otherwise engaging in microenterprise activities) to owners of microenterprises and persons developing microenterprises; and

'(C) providing general support (such as peer support programs and counseling) to owners of microenterprises and persons developing microenterprises;

'(24) activities necessary to make essential repairs and to pay operating expenses necessary to maintain the habitability of housing units acquired through tax foreclosure proceedings in order to prevent abandonment and deterioration of such
housing in primarily low- and moderate-income neighborhoods; 
and'.

(b) Direct Homeownership Assistance. - Section 907(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 5305 note) is amended -

(1) by striking 'October 1, 1992' and inserting 'October 1, 1994';

(2) by striking 'October 1, 1993' and inserting 'October 1, 1995'; and

(3) by striking '(18)', '(19)', and '(20)' and inserting '(23)', '(24)', and '(25)', respectively.

(c) Microenterprise and Small Business Development Initiative. -

(1) In general . - Section 105 of the Housing and Community Development Act of 1974 (42 U.S.C. 5305), as amended by section 806, is further amended by adding at the end the following new subsection:

'(g) Microenterprise and Small Business Program Requirements. - In developing program requirements and providing assistance pursuant to paragraph (17) of subsection (a) to a microenterprise or small business, the Secretary shall -

'(1) take into account the special needs and limitations arising from the size of the entity; and

'(2) not consider training, technical assistance, or other support services costs provided to small businesses or microenterprises or to grantees and subgrantees to develop the capacity to provide such assistance, as a planning cost pursuant to section 105(a)(12) or an administrative cost pursuant to section 105(a)(13)'.

(2) Definitions. - Section 102(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)) is amended by adding at the end the following new paragraphs:

'(22) The term 'microenterprise' means a commercial enterprise that has 5 or fewer employees, 1 or more of whom owns the enterprise.

'(23) The term 'small business' means a business that meets the criteria set forth in section 3(a) of the Small Business Act.'.

(3) Sense of the congress. - It is the sense of the Congress that each grantee under title I of the Housing and Community Development Act of 1974 should reserve 1 percent of any grant amounts the grantee receives in each fiscal year for the
purpose of providing assistance under section 105(a)(23) of such Act to facilitate economic development through commercial microenterprises.

(4) Report. - Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to the Congress a report on the effectiveness of assistance provided through title I of the Housing and Community Development Act of 1974 in promoting development of microenterprises, including a review of any statutory or regulatory provision that impedes the development of microenterprises.

(d) Loans of CDBG Funds. - Section 105(a)(14) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(14)) is amended by inserting before 'activities' the following: 'provision of assistance including loans (both interim and long-term) and grants for'.

(e) CDBG Code Enforcement. - Section 105(a)(3) of the Housing and Community Development Act of 1974 is amended by striking 'improvements and' and inserting 'or private improvements or'.

(f) Neighborhood-Based Nonprofit Organizations. - Section 105(a)(15) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(15)) is amended by inserting after 'corporations,' the following: 'nonprofit organizations serving the development needs of the communities in nonentitlement areas,'

SEC. 808. REFERENCE TO FAIR HOUSING ACT.

Sections 104(b)(2), 106(d)(5)(B), and 107(e)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(b)(2), 5306(d)(5)(B), and 5307(e)(1)) are each amended by striking 'Public Law 88-352 and Public Law 90-284' and inserting 'the Civil Rights Act of 1964 and the Fair Housing Act'.

SEC. 809. ELIGIBILITY OF ENTERPRISE ZONES.

Section 105(a)(13) of the Housing and Community Development Act of 1974 is amended by inserting immediately after '(13)' the following: 'payment of reasonable administrative costs related to establishing and administering federally approved enterprise zones and'.

SEC. 810. ASSISTANCE FOR COLONIAS.

(a) Eligible Activities. - Section 916 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 5306 note) is amended -

(1) by adding at the end of subsection (b) the following new paragraph:

'(3) Other improvements. - Other activities eligible under section 105 of the Housing and Community Development Act of 1974
designed to meet the needs of residents of colonias.'; and

(2) in subsection (f), by striking 'and 1993' and inserting '1993, and 1994'.

(b) Definition of Colonia. — Section 916(e)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 5306 note) is amended —

(1) by striking subparagraph (C);

(2) by redesignating subparagraph (D) as subparagraph (C);

and

(3) by striking subparagraph (E) and inserting the following new subparagraph:

'(D) was in existence as a colonia before the date of the enactment of the Cranston-Gonzalez National Affordable Housing Act.'.

SEC. 811. STATE SET-ASIDE FOR TECHNICAL ASSISTANCE.

Section 106(d) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(d)) is amended by inserting after paragraph (4), as added by section 802, the following:

'(5) From the amounts received under paragraph (1) for distribution in nonentitlement areas, the State may deduct an amount, not to exceed 1 percent of the amount so received, to provide technical assistance to local governments and nonprofit program recipients.'.

SEC. 812. COMMUNITY DEVELOPMENT PLANS AND REPORTS.

(a) In General. — Subsection (l) of section 104 of the Housing and Community Development Act of 1974, as added by section 922 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 5304(l)), is amended to read as follows:

'(m) Community Development Plans. —

'(1) In general. — Prior to the receipt in any fiscal year of a grant from the Secretary under subsection (b), (d)(1), or (d)(2)(B) of section 106, each recipient shall have prepared and submitted in accordance with this subsection and in such standardized form as the Secretary shall, by regulation, prescribe a description of its priority nonhousing community development needs eligible for assistance under this title.

'(2) Local governments. — In the case of a recipient that is a unit of general local government —

'(A) prior to the submission required by paragraph (1),
the recipient shall, to the extent practicable, notify adjacent units of general local government and solicit the views of citizens on priority nonhousing community development needs; and

'(B) the description required under paragraph (1) shall be submitted to the Secretary, the State, and any other unit of general local government within which the recipient is located, in such standardized form as the Secretary shall, by regulation, prescribe.

'(3) States. - In the case of a recipient that is a State, the description required by paragraph (1) -

'(A) shall include only the needs within the State that affect more than one unit of general local government and involve activities typically funded by such States under this title; and

'(B) shall be submitted to the Secretary in such standard form as the Secretary, by regulation, shall prescribe.

'(4) Effect of submission. - A submission under this subsection shall not be binding with respect to the use or distribution of amounts received under section 106.'.

(b) Conforming Amendments. - Section 104(b)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(b)(4)) is amended -

(1) by inserting 'pursuant to subsection (m)' before the first comma; and

(2) by striking 'and housing'.

SEC. 813. DELAY USE OF 1990 CENSUS HOUSING DATA TO EXAMINE EFFECT ON TARGETING FOR CDBG FORMULA.

Notwithstanding any other provision of law, for fiscal year 1993, no data derived from the 1990 Decennial Census, except those relating to population and poverty, shall be taken into account for purposes of the allocation of amounts under section 106 of the Housing and Community Development Act of 1974.

SUBTITLE B - OTHER COMMUNITY DEVELOPMENT PROGRAMS

SEC. 831. NEIGHBORHOOD REINVESTMENT CORPORATION.

(a) Authorization of Appropriations. - The first sentence of section 608(a)(1) of the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8107(a)) is amended to read as follows: 'There are authorized to be appropriated to the corporation to carry out this title $29,476,000 for fiscal year 1993 and $30,713,992 for fiscal year 1994.'.
(b) Expanded Programs. - The matter preceding subparagraph (A) of section 608(a)(2) of the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8107(a)(2)) is amended by striking 'each of the fiscal years 1991 and 1992' and inserting 'any fiscal year'.

SEC. 832. NEIGHBORHOOD DEVELOPMENT PROGRAM.

(a) Authorization. - Section 123(g) of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended to read as follows:

'(g) Authorization. - Of the amounts made available for assistance under section 103 of the Housing and Community Development Act of 1974, $1,000,000 for fiscal year 1993 (in addition to other amounts provided for such fiscal year) and $3,000,000 for fiscal year 1994 shall be available to carry out this section'.

(b) Permanent Program. - Section 123 of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended -

(1) by striking the section heading and inserting the following new heading:

'JOHN HEINZ NEIGHBORHOOD DEVELOPMENT PROGRAM';

(2) by striking 'demonstration program' each place it appears and inserting 'program';

(3) in subsection (b)(1), by striking 'determine the feasibility of supporting' and inserting 'support';

(4) in subsection (e)(3), by inserting after 'year' the following: ', except that, if appropriations for this section exceed $3,000,000, the Secretary may pay not more than $75,000 to any participating neighborhood development organization';

(5) in subsection (e)(6) -

(A) in subparagraph (C), by inserting 'and' after the semicolon at the end;

(B) by striking subparagraph (D);

(C) by redesignating subparagraph (E) as subparagraph (D); and

(D) in subparagraph (D), as so redesignated, by striking 'demonstration' and inserting 'program';

(6) by striking subsection (f) and inserting the following new subsection:
'(f) The Secretary shall submit a report to the Congress, not later than 3 months after the end of each fiscal year in which payments are made under this section, regarding the program under this section. The report shall contain a summary of the activities carried out under this section during such fiscal year and any findings, conclusions, and recommendations for legislation regarding the program.'; and

'(7) by adding at the end the following new subsection:

'(h) Short Title. - This section may be cited as the 'John Heinz Neighborhood Development Act'.'.

(c) Compliance With CHAS and Community Development Plans. - Section 123(e)(5)(A) of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended by striking 'housing and community development plans of such unit' and inserting 'comprehensive housing affordability strategy of such unit approved under section 105 of the Cranston-Gonzalez National Affordable Housing Act or the statement of community development activities and community development plans of the unit submitted under section 104(m) of the Housing and Community Development Act of 1974'.

(d) Eligible Neighborhood Development Organization. - Section 123(a)(2) of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended -

(1) in subparagraph (A), by inserting '(i)' after '(A)';

(2) in subparagraph (E), by striking the period at the end and inserting '; or';

(3) by redesignating subparagraphs (B) through (E) as clauses (ii) through (v), respectively; and

(4) by adding at the end the following new subparagraph:

'(B) any facility that provides small entrepreneurial business with affordable shared support services and business development services and meets the requirements of subparagraph (A).'.

(e) Definitions. - Section 123(a) of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended -

(1) by striking subparagraph (2)(A)(iv) (as so redesignated by subsection (d) of this section) and inserting the following new clause:

'(iv) an organization that operates within an area that -

'(I) meets the requirements for Federal assistance under section 119 of the Housing and Community
(2) by redesignating paragraph (3) as paragraph (4); and

(3) by inserting before paragraph (4) (as so redesignated) the following new paragraph:

'(3) The term 'neighborhood development funding organization' means -

'(A) a depository institution the accounts of which are insured pursuant to the Federal Deposit Insurance Act or the Federal Credit Union Act, and any subsidiary (as such term is defined in section 3(w) of the Federal Deposit Insurance Act) thereof;

'(B) a depository institution holding company and any subsidiary thereof (as such term is defined in section 3(w) of the Federal Deposit Insurance Act); or

'(C) a company at least 75 percent of the common stock of which is owned by one or more insured depository institutions or depository institution holding companies.'.

(f) Coordination With Community Development Funding Organizations. - Section 123 of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended -

(1) in subsection (b)(1), by inserting ', and from neighborhood development funding organizations,' after 'neighborhoods';

(2) in subsection (b)(3) -

(A) in subparagraph (B), by striking 'and' at the end;

(B) in subparagraph (C), by striking the period and inserting the following: ', especially in cooperation with a neighborhood development funding organization, except that an eligible neighborhood development organization shall be deemed to have the full benefit of the cooperation of a neighborhood development funding organization if the eligible neighborhood development organization -
'(i) is located in an area described in subsection (a)(2)(A)(iv) that does not contain a neighborhood development funding organization; or

'(ii) demonstrates to the satisfaction of the Secretary that it has been unable to obtain the cooperation of any neighborhood development funding organization in such area despite having made a good faith effort to obtain such cooperation; and'; and

(C) by adding at the end the following new subparagraph:

'(D) specify a strategy for increasing the capacity of the organization.';

(3) in subsection (c)(3), by inserting before the semicolon the following: 'and by the extent of participation in the proposed activities by a neighborhood development funding organization that has a branch or office in the neighborhood, except that an eligible neighborhood development organization shall be deemed to have the full benefit of the participation of a neighborhood development funding organization if the eligible neighborhood development organization -

'(A) is located in a neighborhood that does not contain a branch or office of a neighborhood development funding organization; or

'(B) demonstrates to the satisfaction of the Secretary that it has been unable to obtain the participation of any neighborhood development funding organization that has a branch or office in the neighborhood despite having made a good faith effort to obtain such participation'; and

(4) in subsection (e)(1), by inserting ', and from neighborhood development funding organizations,' after 'neighborhood'.

(g) Administrative Changes. - Section 123 of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended -

(1) in subsection (a)(2)(A)(iii), as so redesignated by subsection (d) of this section, by striking 'three years' and inserting 'one year'; and

(2) in subsection (b)(2), by striking 'Not more than 30 per centum' and inserting 'For fiscal year 1993 and thereafter, not more than 50 percent'.

SEC. 833. STUDY REGARDING HOUSING TECHNOLOGY RESEARCH.

(a) Study. - The Secretary of Housing and Urban Development, through the Assistant Secretary for Policy Development and
Research, shall conduct a study of -

(1) the extent of Federal, other public, and private basic research in the United States in housing technology, including design and construction techniques and methodology, smart building technology, area and neighborhood planning, and other areas relating to the preservation and production of affordable housing and livable communities;

(2) the extent of competitiveness of the United States in the field of basic housing technology research in comparison with other countries that are substantially involved in trade with the United States, taking into consideration the balance of trade, the degree of government support of private research activities, and the degree of fragmentation of research; and

(3) the types of research projects regarding basic housing technology conducted by such other countries, the results of such research, and the extent of success in applying and marketing such results.

(b) Report. - The Secretary of Housing and Urban Development shall submit a report to the Congress describing the results of the study conducted under this section not later than September 30, 1993.

SEC. 834. DESIGNATION OF ENTERPRISE ZONES.

(a) In General. - Section 701 of the Housing and Community Development Act of 1987 (42 U.S.C. 11501) is amended -

(1) in subsection (a)(4)(B), by striking 'the effective date of the regulations described in subparagraph (A) occurs' and inserting 'the date of the enactment of the Housing and Community Development Act of 1992 occurs'; and

(2) in subsection (c)(3)(B), by striking 'this Act' and inserting 'the Housing and Community Development Act of 1992'.

(b) Report. - Section 702 of the Housing and Community Development Act of 1987 (42 U.S.C. 11502) is amended by inserting 'pursuant to the amendments made by section 834 of the Housing and Community Development Act of 1992' before the first comma.

SUBTITLE C - MISCELLANEOUS PROGRAMS

SEC. 851. COMMUNITY OUTREACH ACT.

(a) Short Title. - This section may be cited as the 'Community Outreach Partnership Act of 1992'.

(b) Purpose. - The Secretary shall carry out, in accordance with this section, a 5-year demonstration program to determine the feasibility of facilitating partnerships between institutions of
higher education and communities to solve urban problems through research, outreach, and the exchange of information.

(c) Grant Program. -

(1) In general. - The Secretary is authorized to make grants to public and private nonprofit institutions of higher education to assist in establishing or carrying out research and outreach activities addressing the problems of urban areas.

(2) Use of grants. - Grants under this Act shall be used to establish and operate Community Outreach Partnership Centers (hereafter in this section referred to as 'Centers') which shall -

(A) conduct competent and qualified research and investigations on theoretical or practical problems in large and small cities; and

(B) facilitate partnerships and outreach activities between institutions of higher education, local communities, and local governments to address urban problems.

(3) Specific problems. - Research and outreach activities assisted under this Act shall focus on problems associated with housing, economic development, neighborhood revitalization, infrastructure, health care, job training, education, crime prevention, planning, community organizing, and other areas deemed appropriate by the Secretary.

(d) Application. - Any public or private nonprofit institution of higher education may submit an application for a grant under this section in such form and containing such information as the Secretary may require by regulation.

(e) Selection Criteria. -

(1) In general. - The Secretary shall select recipients of grants under this section on the basis of the following criteria:

(A) The demonstrated research and outreach resources available to the applicant for carrying out the purposes of this section.

(B) The capability of the applicant to provide leadership in solving community problems and in making national contributions to solving long-term and immediate urban problems.

(C) The demonstrated commitment of the applicant to supporting urban research and outreach programs by providing matching contributions for any Federal assistance received.
(D) The demonstrated ability of the applicant to disseminate results of research and successful strategies developed through outreach activities to other Centers and communities served through the demonstration program.

(E) The projects and activities that the applicant proposes to carry out under the grant.

(F) The effectiveness of the applicant's strategy to provide outreach activities to communities.

(G) The extent of need in the communities to be served by the Centers.

(H) Other criteria deemed appropriate by the Secretary.

(2) Preference. - The Secretary shall give preference to institutions of higher education that undertake research and outreach activities by bringing together knowledge and expertise in the various social science and technical disciplines that relate to urban problems.

(f) Federal Shares. - The Federal share of a grant under this section shall not be more than -

(1) 50 percent of the cost of establishing and operating a Center's research activities; and

(2) 75 percent of the cost of establishing and operating a Center's outreach activities.

(g) Non-Federal Shares. - The non-Federal share of a grant may include cash, or the value of non-cash contributions, equipment, or other in-kind contributions deemed appropriate by the Secretary.

(h) Responsibilities. - A Center established under this section shall -

(1) employ the research and outreach resources of its sponsoring institution of higher education to solve specific urban problems identified by communities served by the Center;

(2) establish outreach activities in areas identified in the grant application as the communities to be served;

(3) establish a community advisory committee comprised of representatives of local institutions and residents of the communities to be served to assist in identifying local needs and advise on the development and implementation of strategies to address those issues;

(4) coordinate outreach activities in communities to be served by the Center;
(5) facilitate public service projects in the communities served by the Center;

(6) act as a clearinghouse for the dissemination of information;

(7) develop instructional programs, convene conferences, and provide training for local community leaders, when appropriate; and

(8) exchange information with other Centers.

(i) National Advisory Council. -

(1) Establishment. - The Secretary shall establish a national advisory council (hereafter in this section referred to as the 'council') to -

   (A) disseminate the results of research and outreach activities carried out under this section;

   (B) act as a clearinghouse between grant recipients and other institutions of higher education; and

   (C) review and evaluate programs carried out by grant recipients.

(2) Members. - The council shall be composed of 12 members to be appointed by the Secretary as follows -

   (A) 3 representatives of State and local governments;

   (B) 3 representatives of institutions of higher education that receive grants under this section;

   (C) 3 individuals or representatives of organizations that possess significant expertise in urban issues; and

   (D) 3 representatives from community advisory committees created pursuant to this section.

(3) Vacancies. - A vacancy in the membership of the council shall be filled in the manner in which the original appointment was made.

(4) Compensation. - Members of the council shall serve without pay.

(5) Chairman. - The council shall elect a member to serve as chairperson of the council.

(6) Meetings. - The council shall meet at least biannually and at such other times as the chairman may designate.
(j) National Clearinghouse. - The Secretary shall establish a national clearinghouse to disseminate information resulting from the research and successful outreach activities developed through the Centers to grant recipients and other interested institutions of higher education.

(k) Authorizations. - The sums set aside by section 107 of the Housing and Community Development Act of 1974 for the purpose of this section shall be available -

(1) to enable Centers to carry out research and outreach activities;

(2) to establish and operate the national clearinghouse to be established under subsection (j).

(l) Reporting. -

(1) In general. - The Secretary of Housing and Urban Development shall submit an annual report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

(2) Contents. - The report under paragraph (1) shall contain a summary of the activities carried out under this section during the preceding fiscal year, and findings and conclusions drawn from such activities.

SEC. 852. COMPUTERIZED DATABASE OF COMMUNITY DEVELOPMENT NEEDS.

(a) Establishment of Demonstration Program. - Not later than the expiration of the 1-year period beginning on the date appropriations for the purposes of this section are made available, the Secretary of Housing and Urban Development (hereafter in this section referred to as the 'Secretary') shall establish and implement a demonstration program to determine the feasibility of assisting States and units of general local government to develop methods, utilizing contemporary computer technology, to -

(1) monitor, inventory, and maintain current listings of the community development needs of the States and units of general local government; and

(2) coordinate strategies within States (especially among various units of general local government) for meeting such needs.

(b) Integrated Database System and Computer Mapping Tool. -

(1) Development and purposes. - In carrying out the program under this section, the Secretary shall provide for the development of an integrated database system and computer mapping tool designed to efficiently (A) collect, store,
process, and retrieve information relating to priority nonhousing community development needs within States, and (B) coordinate strategies for meeting such needs. The integrated database system and computer mapping tool shall be designed in a manner to coordinate and facilitate the preparation of community development plans under section 104(m)(1) of the Housing and Community Development Act of 1974 and to process any information necessary for such plans.

(2) Availability to states. - The Secretary shall make the integrated database system and computer mapping tool developed pursuant to this subsection available to States without charge.

(3) Coordination with existing technology. - The Secretary shall, to the extent practicable, utilize existing technologies and coordinate such activities with existing data systems to prevent duplication.

(c) Technical Assistance. - Under the program under this section, the Secretary shall provide consultation and advice to States and units of general local government regarding the capabilities and advantages of the integrated database system and computer mapping tool developed pursuant to subsection (b) and assistance in installing and using the database system and mapping tool.

(d) Grants. -

(1) Authority and purpose. - The Secretary shall, to the extent amounts are made available under appropriation Acts pursuant to subsection (g), make grants to States for capital costs relating to installation and use of the integrated database system and computer mapping tool developed pursuant to subsection (b).

(2) Limitations. - The Secretary may not make more than one grant under this subsection to any single State. The Secretary may not make a grant under this subsection to any single State in an amount exceeding $1,000,000.

(3) Application and selection. - The Secretary shall provide for the form and manner of applications for grants under this subsection. The Secretary shall establish criteria for the selection of States which have submitted applications to receive grants under this section and shall select recipients according to such criteria, which shall give priority to States having, on a long-term basis (as determined by the Secretary), levels of unemployment above the national average level.

(e) State Coordination of Local Needs. - Each State that receives a grant under subsection (d) shall annually submit to the Secretary a report containing a summary of the priority nonhousing community development needs within the State.

(f) Reports by Secretary. - The Secretary shall annually submit
to the Committees on Banking, Finance and Urban Affairs of the House of Representatives and Banking, Housing, and Urban Affairs of the Senate, a report containing a summary of the information submitted for the year by States pursuant to subsection (e), which shall describe the priority nonhousing community development needs within such States.

(g) Authorization of Appropriations. - There are authorized to be appropriated for each of the fiscal years 1993 and 1994, $10,000,000 to carry out the program established under this section.

SEC. 853. COMMUNITY INVESTMENT CORPORATION DEMONSTRATION.

(a) Short Title. - This section may be cited as the 'Community Investment Corporation Demonstration Act'.

(b) Community Investment Corporation Demonstration. -

(1) Findings. - The Congress finds that -

(A) the Nation's urban and rural communities face critical social and economic problems arising from lack of growth; growing numbers of low-income persons and persons living in poverty; lack of employment and other opportunities to improve the quality of life of these residents; and lack of capital for business located in, or seeking to locate in these communities;

(B) the future well-being of the United States and its residents depends on the restoration and maintenance of viable local economies, and will require increased public and private investment in low-income housing, business development, and economic and community development activities, and technical assistance to local organizations carrying out revitalization strategies;

(C) lack of expertise and technical capacity can significantly limit the ability of residents and local institutions to effectively carry out revitalization strategies;

(D) the Federal Government needs to develop new models for facilitating local revitalization activities;

(E) indigenous community-based financial institutions play a significant role in identifying and responding to community needs; and

(F) institutions, such as South Shore Bank (Chicago, Illinois), Southern Development Bancorporation (Arkadelphia, Arkansas), Center for Community Self Help (Durham, North Carolina), and Community Capital Bank (Brooklyn, New York), with a primary mission of promoting
community development have proven their ability to promote revitalization and are appropriate models for restoring economic stability and growth in distressed communities and neighborhoods.

(2) Purposes. - The demonstration program carried out under this section shall -

(A) improve access to capital for initiatives which benefit residents and businesses in targeted geographic areas; and

(B) test new models for bringing credit and investment capital to targeted geographic areas and low-income persons in such areas through the provision of assistance for capital, development services, and technical assistance.

(3) Definitions. - As used in this section -

(A) the term 'Federal financial supervisory agency' means -

   (i) the Comptroller of the Currency with respect to national banks;

   (ii) the Board of Governors of the Federal Reserve System with respect to State-chartered banks which are members of the Federal Reserve System and bank holding companies;

   (iii) the Federal Deposit Insurance Corporation with respect to State-chartered banks and savings banks which are not members of the Federal Reserve System and the deposits of which are insured by the Federal Deposit Insurance Corporation;

   (iv) the National Credit Union Administration Board with respect to insured credit union associations; and

   (v) the Office of Thrift Supervision with respect to insured savings associations and savings and loan holding companies that are not bank holding companies;

(B) the term 'community investment corporation' means an eligible organization selected by the Secretary to receive assistance pursuant to this section;

(C) the term 'development services' means activities that are consistent with the purposes of this section and which support and strengthen the lending and investment activities undertaken by eligible organizations including -

   (i) the development of real estate;
(ii) administrative activities associated with the extension of credit or necessary to make an investment;

(iii) marketing and management assistance;

(iv) business planning and counseling services; and

(v) other capacity building activities which enable borrowers, prospective borrowers, or entities in which eligible organizations have invested, or expect to invest, to improve the likelihood of success of their activities;

(D) the term 'eligible organization' means an entity -

(i) that is organized as -

   (I) a depository institution holding company as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813); or

   (II) a nonprofit organization -

      (aa) that is organized under State law;

      (bb) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or other person;

      (cc) complies with standards of financial accountability acceptable to the Secretary; and

      (dd) is affiliated with a nondepository lending institution; or is affiliated with a regulated financial institution but is not a subsidiary thereof;

(ii) that has as its primary mission the revitalization of a targeted geographic area;

(iii) that maintains, through significant representation on its governing board and otherwise, accountability to community residents;

(iv) that has principals active in the implementation of its programs who possess significant experience in lending and the development of affordable housing, small business development, or community revitalization;

(v) that directly or through a subsidiary or affiliate carries out development services; and

(vi) that will match any assistance received
dollar-for-dollar with non-Federal sources of funds;

(E) the term 'equity investment' means a capital contribution through the purchase of nonvoting common stock or through equity grants or contributions to capital reserves or surplus, subject to terms and conditions satisfactory to the Secretary;

(F) the term 'low-income person' means a person in a family whose income does not exceed 80 percent of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families;

(G) the term 'regulated financial institution' means an insured depository institution (as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813), or an insured credit union as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752));

(H) the term 'Secretary' means the Secretary of Housing and Urban Development;

(I) the term 'targeted geographic area' means a geographically contiguous area of chronic economic distress, as measured by unemployment, growth lag, poverty, lag in growth of per capita income, extent of blight and disinvestment, fiscal distress, or other indicators deemed appropriate by the Secretary, that has been identified by an eligible organization as the area to be served by it; and

(J) an entity is an 'affiliate' of another entity if the first entity controls, is controlled by, or is under common control with the other entity.

(4) Selection criteria. - The Secretary shall select eligible organizations from among applications submitted to participate in the demonstration program, using selection criteria based on -

(A) the capacity of the eligible organizations to carry out the purposes of this section;

(B) the range and comprehensiveness of lending, investment strategies, and development services to be offered by the organizations directly or through subsidiaries and affiliates thereof;

(C) the types of activities to be pursued, including lending and development of small business, agriculture, industrial, commercial, or residential projects;

(D) the extent of need in the targeted geographic area to be served;
(E) the experience and background of the principals at each eligible organization responsible for carrying out the purposes of this section;

(F) the extent to which the eligible organizations directly or through subsidiaries and affiliates has successfully implemented other revitalization activities;

(G) an appropriate distribution of eligible organizations among regions of the United States; and

(H) other criteria determined to be appropriate by the Secretary and consistent with the purposes of this section.

(5) Program assistance. - The Secretary shall -

(A) carry out, in accordance with this section, a program to improve access to capital and demonstrate the feasibility of facilitating the revitalization of targeted geographic areas by providing assistance to eligible organizations;

(B) accept applications from eligible organizations; and

(C) select eligible organizations to receive assistance pursuant to this section.

(6) Activities required. - All eligible organizations receiving assistance pursuant to this section are required to engage in activities that provide access to capital for initiatives which benefit residents and businesses in targeted geographic areas.

(7) Capital assistance. -

(A) In general. -

(i) In general. - The Secretary shall make grants and loans to eligible organizations.

(ii) Loans. - Assistance provided to a depository institution holding company that is an eligible organization as defined in paragraph (3)(D)(i)(I) shall be in the form of a loan to be repaid to the Secretary. The terms and conditions of each loan shall be determined by the Secretary based on the ability of such entity to repay, except that interest shall accrue at the current Treasury rate for obligations of comparable maturity.

(iii) Grants or loans. - Assistance provided to an eligible organization that is a nonprofit organization, as defined in paragraph (3)(D)(i)(II), may be in the
form of a grant or a loan. If an eligible organization that is a nonprofit organization uses assistance that it received under this section to provide assistance to a for-profit entity, the assistance provided by the nonprofit organization must be in the form of a loan with interest to be repaid to the nonprofit organization and the nonprofit organization must use the proceeds of the loan for activities consistent with this section.

(B) Eligible activities. - Capital assistance may only be used to support the following activities that facilitate revitalization of targeted geographic areas or that provide economic opportunities for low-income persons -

(i) increasing the capital available for the purpose of making loans;

(ii) providing funds for equity investments in projects;

(iii) providing a portion of loan loss reserves of regulated financial institutions; and

(iv) providing credit enhancement.

(C) Capital requirements. - Any investment derived from assistance provided by the Secretary and made by an eligible organization to a regulated financial institution shall not be included as an asset in calculating compliance with applicable capital standards. Such standards shall be satisfied from sources other than assistance provided under this section.

(D) Authorization. - There are authorized to be appropriated to carry out this paragraph $25,000,000 for fiscal year 1993 and $26,000,000 for fiscal year 1994 to be used to provide capital assistance to eligible organizations. Funds appropriated pursuant to this subparagraph shall remain available until expended.

(8) Development services and technical assistance grants. -

(A) In general. - The Secretary shall -

(i) provide grants or loans to eligible organizations for the provision of development services that support and contribute to the success of the mission of such organizations; and

(ii) provide, or contract to provide, technical assistance to eligible organizations to assist in establishing program activities that are consistent with the purposes of this section.
(B) Authorization. - There are authorized to be appropriated to carry out this paragraph, $15,000,000 for fiscal year 1993 and $15,600,000 for fiscal year 1994. Funds appropriated pursuant to this subparagraph shall remain available until expended.

(9) Training program. -

(A) In general. - The Secretary shall establish, or contract to establish, an ongoing training program to assist eligible organizations and their staffs in developing the capacity to carry out the purposes of this section.

(B) Authorization. - There are authorized to be appropriated to carry out this paragraph $2,000,000 for fiscal year 1993 and $2,100,000 for fiscal year 1994. Funds appropriated pursuant to this subparagraph shall remain available until expended.

(10) Reports. - The Secretary shall determine the appropriate reporting requirements with which eligible organizations receiving assistance under this section must comply.

(11) Advisory board. -

(A) In general. - In establishing requirements to carry out the provisions of this section, and in considering applications under this section, the Secretary shall consult with an advisory board comprised of the following members:

(i) the Administrator of the Small Business Administration;

(ii) two representatives from among the Federal financial supervisory agencies who possess expertise in matters related to extending credit to persons in low-income communities;

(iii) two representatives of organizations that possess expertise in development of low-income housing;

(iv) two representatives of organizations that possess expertise in economic development;

(v) two representatives of organizations that possess expertise in small business development;

(vi) two representatives from organizations that possess expertise in the needs of low-income communities; and

(vii) two representatives from community investment corporations receiving assistance under this section.
(B) Chairperson. - The Board shall elect from among its members a chairperson who shall serve for a term of 2 years.

(C) Terms. - The members shall serve for terms of 3 years which shall expire on a staggered basis.

(D) Reimbursement. - The members shall serve without additional compensation but shall be reimbursed for travel, per diem, and other necessary expenses incurred in the performance of their duties as members of the advisory board, in accordance with sections 5702 and 5703 of title 5, United States Code.

(E) Designated representatives. - A member who is necessarily absent from a meeting of the board, or of a committee of the board, may participate in such meeting through a duly designated representative who is serving in the same agency or organization as the absent member.

(F) Quorum. - The presence of a majority of members, or their representatives, shall constitute a quorum.

(12) Evaluation and report. - The Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives an annual report containing a summary of the activities carried out under this section during the fiscal year and any preliminary findings or conclusions drawn from the demonstration program.

(13) No benefit rule. - To the extent that assistance is provided to an eligible organization that is a depository institution holding company, the Secretary shall ensure, to the extent practicable, that such assistance does not inure to the benefit of directors, officers, employees and stockholders.

(14) Regulations. - (A) The Secretary shall issue such regulations as may be necessary to carry out the provisions of this subsection.

(B) The appropriate Federal financial supervisory agency, by regulation or order -

(i) may restrict any regulated financial institution's receipt of an extension of credit from, or investment by, an eligible organization;

(ii) may restrict the making, by a regulated financial institution or holding company, of an extension of credit to, or investment in, an eligible organization; and

(iii) shall prohibit any transaction that poses an undue risk to the affected deposit insurance fund.
(C) To the extent practicable, the Secretary and the Federal financial supervisory agencies shall coordinate the development of regulations and other program guidelines.

(15) Safety and soundness of insured depositories. - Nothing in this section shall limit the applicability of other law relating to the safe and sound operation and management of a regulated financial institution (or a holding company) affiliated with an eligible organization or receiving assistance provided under this section.

(16) Effective date. - This section shall become effective 6 months from the date of enactment of this Act.

SEC. 854. EMERGENCY ASSISTANCE FOR LOS ANGELES.

(a) In General. - Of the funds made available under 107(b) of the Housing and Community Development Act of 1974 for purposes of this section, $3,000,000 shall be made available to each of the following:

(1) A nonprofit community-based public benefit corporation which was created in response to the civil disturbances of April 29, 1992, through May 6, 1992, in Los Angeles, California, with the support of the Speaker of the California State Assembly and community elected officials representing the affected areas.

(2) A nonprofit public benefit corporation established by the Mayor of Los Angeles and the Governor of California.

(b) Use of Funds. - Such funds shall be used to carry out a community revitalization strategy in areas for which the President, pursuant to title IV or V of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, declared that a major disaster or emergency existed for the purposes of such Act, as a result of the civil disturbances involving acts of violence occurring on or after April 29, 1992, and before May 6, 1992.

(c) Strategy. - Such strategy shall -

(1) include efforts to create jobs in distressed neighborhoods, spur community-based economic development, improve housing accessibility and affordability, and address other community development needs; and

(2) be developed in consultation with low-income residents and community leaders in the distressed areas.

(d) Eligible Activities. - Funds made available under this subsection may be used for eligible activities pursuant to section 105 of the Housing and Community Development Act of 1974 or to provide seed capital to nonprofit community development corporations to carry out the strategy developed in subsection
(c)(2).

(e) Match Required. - Funds provided under this section shall be matched with private or public non-Federal funds in an amount not less than 50 percent of the funds provided under this section.

TITLE IX - REGULATORY AND MISCELLANEOUS PROGRAMS

SUBTITLE A - MISCELLANEOUS

SEC. 901. HUD RESEARCH AND DEVELOPMENT.

Section 501 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1) is amended by striking the second sentence and all that follows and inserting the following new sentence: 'There is authorized to be appropriated to carry out this title $35,000,000 for fiscal year 1993 and $36,470,000 for fiscal year 1994.'.

SEC. 902. ADMINISTRATION OF DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

(a) Special Assistant for Indian and Alaska Native Programs. -

(1) Responsibilities. - Section 4(e)(1) of the Department of Housing and Urban Development Act (42 U.S.C. 3533(e)(1)) is amended -

(A) by inserting '(A)' after '(1)';

(B) in the first sentence, by striking 'responsible' and all that follows through 'development' and inserting 'located in the Office of the Assistant Secretary for Public and Indian Housing'; and

(C) by adding at the end the following new subparagraphs:

'(B) The Special Assistant for Indian and Alaska Native Programs shall be appointed based solely on merit and shall be covered under the provisions of title 5, United States Code, governing appointments in the competitive service.

'(C) The Special Assistant for Indian and Alaska Native Programs shall be responsible for -

'(i) administering, in coordination with the relevant office in the Department, the provision of housing assistance to Indian tribes or Indian housing authorities under each program of the Department that provides for such assistance;

'(ii) administering the community development block grant program for Indian tribes under title I of the Housing and Community Development Act of 1974 and the provision of assistance to Indian tribes under such Act;
(iii) directing, coordinating, and assisting in managing any regional offices of the Department that administer Indian programs to the extent of such programs; and

(iv) coordinating all programs of the Department relating to Indian and Alaska Native housing and community development.

(D) The Secretary shall include in the annual report under section 8 a description of the extent of the housing needs for Indian families and community development needs of Indian tribes in the United States and the activities of the Department, and extent of such activities, in meeting such needs.'.

(2) Transfer of functions. - Not later than the expiration of the 180-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall transfer to the Special Assistant for Indian and Alaska Native Programs any functions and duties described in section 4(e)(1)(B) of the Department of Housing and Urban Development Act (as added by paragraph (1) of this subsection).

(3) Staff. - Not later than the expiration of the 1-year period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall transfer from offices within the Department of Housing and Urban Development to the office of the Special Assistant for Indian and Alaska Native Programs such staff, having experience and capacity to administer Indian housing and community development programs, as may be necessary and appropriate to assist the Special Assistant in carrying out the responsibilities under section 4(e)(1)(B) of the Department of Housing and Urban Development Act (as added by paragraph (1) of this subsection).

(b) Avoidance of Foreclosure on Mortgages Held by Secretary. - Section 7(i) of the Department of Housing and Urban Development Act (42 U.S.C. 3535(i)) is amended -

(1) in paragraph (5), by inserting before the semicolon the following: '; except that with respect to any mortgage held by the Secretary, the Secretary shall, subject to the availability of amounts provided in appropriation Acts, implement the authority under this paragraph to reduce the interest rate on the mortgage to a rate not less than the rate for recently issued marketable obligations of the Treasury having a comparable maturity if (and to the extent that) such a reduction, when taken together with other actions authorized under the National Housing Act, is necessary to avoid foreclosure on the mortgage; and except that for any mortgage for which the interest rate is reduced pursuant to an appropriation under the preceding clause, if the Secretary determines that the income or ability of the mortgagor to make interest payments has increased, the Secretary may (not more than once for each such mortgage) increase such interest rate to a rate not exceeding the prevailing market rate, as
determined by the Secretary'; and

(2) in paragraph (6), by inserting before the period the following: ', including any provisions relating to the authority or requirements under paragraph (5)'.

c) Program Monitoring and Evaluation - The first sentence of section 7(r)(6) of the Department of Housing and Urban Development Act (42 U.S.C. 3535(r)(6)) is amended to read as follows: 'There are authorized to be appropriated to carry out this subsection such sums as may be necessary for fiscal year 1993 and fiscal year 1994.'.

SEC. 903. PARTICIPANT'S CONSENT TO RELEASE OF INFORMATION.

(a) In General. - Section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 3544) is amended by adding at the end the following new subsection:

'(e) Conditions of Release of Information by Third Parties. - An applicant or participant under any program of the Department of Housing and Urban Development may not be required or requested to consent to the release of information by third parties as a condition of initial or continuing eligibility for participation in the program unless-

'(1) the request for consent is made, and the information secured is maintained, in accordance with this section, section 552a of title 5, United States Code; and

'(2) the consent that is requested is appropriately limited, with respect to time and information relevant and necessary to meet the requirements of this section.'.

(b) Forms. -

(1) New form. - Not later than the expiration of the 180-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall develop a release form that meets the requirements of section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988, as amended by this section. In developing the form, the Secretary shall consult with interested parties, which shall include not less than 2 representatives of public housing agencies, 1 representative of a national tenant organization, 1 representative of State tenant organization, and 1 representative of a legal group representing tenants.

(2) Effect of old form. - During the period beginning upon the date of the enactment of this Act and ending upon implementation of the use of the form developed under paragraph (1), the benefits provided to an applicant or participant under any program of the Department of Housing and Urban Development, or eligibility for such benefits, may not be terminated,
denied, suspended, or reduced because of any failure to sign any form authorizing the release of information from any third party (including Form HUD-9886), if the applicant or participant otherwise discloses all financial information relating to the application or recertification.

SEC. 904. NATIONAL INSTITUTE OF BUILDING SCIENCES.

(a) Technical Correction to Housing and Community Development Act of 1974. - Section 809 of the Housing and Community Development Act of 1974 (12 U.S.C. 1701j-2) is amended -

(1) by redesignating subsections (h) and (i) as subsections (i) and (j), respectively; and

(2) by inserting after subsection (g) the material inserted by the amendment made by section 952(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625; 104 Stat. 4418).

(b) Technical Correction to National Housing Act. - Section 809 of the National Housing Act is amended by striking subsection (h) (as added by section 952(b) of the Cranston-Gonzalez National Affordable Housing Act).

SEC. 905. FAIR HOUSING INITIATIVES PROGRAM.

(a) Findings. - The Congress finds that -

(1) in the past half decade, there have been major legislative and administrative changes in Federal fair housing and fair lending laws and substantial improvements in the Nation's understanding of discrimination in the housing markets;

(2) in response to evidence of continuing housing discrimination, the Congress passed the Fair Housing Act Amendments of 1988, to provide for more effective enforcement of fair housing rights through judicial and administrative avenues and to expand the number of protected classes covered under Federal fair housing laws;

(3) in the Financial Institutions Reform, Recovery and Enforcement Act of 1989, the Congress expanded the disclosure provisions under the Home Mortgage Disclosure Act to provide increased information on the mortgage lending patterns of financial institutions;

(4) in the Americans with Disabilities Act of 1990, the Congress provided a clear and comprehensive national mandate for the elimination of discrimination against individuals with disabilities;

(5) in 1991, data collected under the Home Mortgage
Disclosure Act disclosed evidence of pervasive discrimination in the Nation's mortgage lending markets;

(6) the Housing Discrimination Survey, released by the Department of Housing and Urban Development in 1991, found that Hispanic and African-American homeseekers experience some form of discrimination in at least half of their encounters with sales and rental agents;

(7) the Fair Housing Initiatives Program should be revised and expanded to reflect the significant changes in the fair housing and fair lending area that have taken place since the Program's initial authorization in the Housing and Community Development Act of 1987;

(8) continuing educational efforts by the real estate industry are a useful way to increase understanding by the public of their fair housing rights and responsibilities; and

(9) the proven efficacy of private nonprofit fair housing enforcement organizations and community-based efforts makes support for these organizations a necessary component of the fair housing enforcement system.

(b) In General. - Section 561 of the Housing and Community Development Act of 1987 (42 U.S.C. 3616 note) is amended -

(1) by redesignating subsections (b) through (e) as subsections (e) through (h), respectively;

(2) by inserting after subsection (a) the following new subsections:

'(b) Private Enforcement Initiatives. -

'(1) In general. - The Secretary shall use funds made available under this subsection to conduct, through contracts with private nonprofit fair housing enforcement organizations, investigations of violations of the rights granted under title VIII of the Civil Rights Act of 1968, and such enforcement activities as appropriate to remedy such violations. The Secretary may enter into multiyear contracts and take such other action as is appropriate to enhance the effectiveness of such investigations and enforcement activities.

'(2) Activities. - The Secretary shall use funds made available under this subsection to conduct, through contracts with private nonprofit fair housing enforcement organizations, a range of investigative and enforcement activities designed to -

'(A) carry out testing and other investigative activities in accordance with subsection (b)(1), including building the capacity for housing investigative activities in
unserved or underserved areas;

'(B) discover and remedy discrimination in the public and private real estate markets and real estate-related transactions, including, but not limited to, the making or purchasing of loans or the provision of other financial assistance sales and rentals of housing and housing advertising;

'(C) carry out special projects, including the development of prototypes to respond to new or sophisticated forms of discrimination against persons protected under title VIII of the Civil Rights Act of 1968;

'(D) provide technical assistance to local fair housing organizations, and assist in the formation and development of new fair housing organizations; and

'(E) provide funds for the costs and expenses of litigation, including expert witness fees.

'(c) Funding of Fair Housing Organizations. -

'(1) In general. - The Secretary shall use funds made available under this section to enter into contracts or cooperative agreements with qualified fair housing enforcement organizations, other private nonprofit fair housing enforcement organizations, and nonprofit groups organizing to build their capacity to provide fair housing enforcement, for the purpose of supporting the continued development or implementation of initiatives which enforce the rights granted under title VIII of the Civil Rights Act of 1968, as amended. Contracts or cooperative agreements may not provide more than 50 percent of the operating budget of the recipient organization for any one year.

'(2) Capacity enhancement. - The Secretary shall use funds made available under this section to help establish, organize, and build the capacity of fair housing enforcement organizations, particularly in those areas of the country which are currently underserved by fair housing enforcement organizations as well as those areas where large concentrations of protected classes exist. For purposes of meeting the objectives of this paragraph, the Secretary may enter into contracts or cooperative agreements with qualified fair housing enforcement organizations. The Secretary shall establish annual goals which reflect the national need for private fair housing enforcement organizations.

'(d) Education and Outreach. -

'(1) In general. - The Secretary, through contracts with one or more qualified fair housing enforcement organizations, other fair housing enforcement organizations, and other nonprofit organizations representing groups of persons protected under title
VIII of the Civil Rights Act of 1968, shall establish a national education and outreach program. The national program shall be designed to provide a centralized, coordinated effort for the development and dissemination of fair housing media products, including -

'(A) public service announcements, both audio and video;
'(B) television, radio and print advertisements;
'(C) posters; and
'(D) pamphlets and brochures.

The Secretary shall designate a portion of the amounts provided in subsection (g)(4) for a national program specifically for activities related to the annual national fair housing month. The Secretary shall encourage cooperation with real estate industry organizations in the national education and outreach program. The Secretary shall also encourage the dissemination of educational information and technical assistance to support compliance with the housing adaptability and accessibility guidelines contained in the Fair Housing Act Amendments of 1988.

'(2) Regional and local programs. - The Secretary, through contracts with fair housing enforcement organizations, other nonprofit organizations representing groups of persons protected under title VIII of the Civil Rights Act of 1968, State and local agencies certified by the Secretary under section 810(f) of the Fair Housing Act, or other public or private entities that are formulating or carrying out programs to prevent or eliminate discriminatory housing practices, shall establish or support education and outreach programs at the regional and local levels.

'(3) Community-based programs. - The Secretary shall provide funding to fair housing organizations and other nonprofit organizations representing groups of persons protected under title VIII of the Civil Rights Act of 1968, or other public or private entities that are formulating or carrying out programs to prevent or eliminate discriminatory housing practices, to support community-based education and outreach activities, including school, church, and community presentations, conferences, and other educational activities.';

(3) in subsection (g), as redesignated by paragraph (1) by striking all in the first sentence after 'section,' and inserting the following: '$21,000,000 for fiscal year 1993 and $26,000,000 for fiscal year 1994, of which -'

'(1) not less than $3,820,000 for fiscal year 1993 and $8,500,000 for fiscal year 1994 shall be for private enforcement initiatives authorized under subsection (b),
divided equally between activities specified under subsection (b)(1) and those specified under subsection (b)(2);

'(2) not less than $2,230,000 for fiscal year 1993 and $8,500,000 for fiscal year 1994 shall be for qualified fair housing enforcement organizations authorized under subsection (c)(1);

'(3) not less than $2,010,000 for fiscal year 1993 and $4,000,000 for fiscal year 1994 shall be for the creation of new fair housing enforcement organizations authorized under subsection (c)(2); and

'(4) not less than $2,540,000 for fiscal year 1993 and $5,000,000 for fiscal year 1994 shall be for education and outreach programs authorized under subsection (d), to be divided equally between activities specified under subsection (d)(1) and those specified under subsections (d)(2) and (d)(3).'; and

(4) by striking subsection (h), as redesignated by paragraph (1), and inserting the following:

'(h) Qualified Fair Housing Enforcement Organization. - (1) The term 'qualified fair housing enforcement organization' means any organization that -

'(A) is organized as a private, tax-exempt, nonprofit, charitable organization;

'(B) has at least 2 years experience in complaint intake, complaint investigation, testing for fair housing violations and enforcement of meritorious claims; and

'(C) is engaged in all the activities listed in paragraph (1)(B) at the time of application for assistance under this section.

An organization which is not solely engaged in fair housing enforcement activities may qualify as a qualified fair housing enforcement organization, provided that the organization is actively engaged in each of the activities listed in subparagraph (B).

'(2) The term 'fair housing enforcement organization' means any organization that -

'(A) meets the requirements specified in paragraph (1)(A);

'(B) is currently engaged in the activities specified in paragraph (1)(B);

'(C) upon the receipt of funds under this section will become engaged in all of the activities specified in paragraph (1)(B);
and

'(D) for purposes of funding under subsection (b), has at least 1 year of experience in the activities specified in paragraph (1)(B).

'(i) Prohibition on Use of Funds. - None of the funds authorized under this section may be used by the Secretary for purposes of settling claims, satisfying judgments or fulfilling court orders in any litigation action involving either the Department or housing providers funded by the Department. None of the funds authorized under this section may be used by the Department for administrative costs.

'(j) Reporting Requirements. - Not later than 180 days after the close of each fiscal year in which assistance under this section is furnished, the Secretary shall prepare and submit to the Congress a comprehensive report which shall contain -

'(1) a description of the progress made in accomplishing the objectives of this section;

'(2) a summary of all the private enforcement activities carried out under this section and the use of such funds during the preceding fiscal year;

'(3) a list of all fair housing enforcement organizations funded under this section during the preceding fiscal year, identified on a State-by-State basis;

'(4) a summary of all education and outreach activities funded under this section and the use of such funds during the preceding fiscal year; and

'(5) any findings, conclusions, or recommendations of the Secretary as a result of the funded activities.'.

SEC. 906. NATIONAL COMMISSION ON MANUFACTURED HOUSING.

(a) Authorization of Appropriations. - Section 943(f) of the Cranston-Gonzalez National Affordable Housing Act is amended to read as follows:

'(f) Authorization. - Of the amount appropriated pursuant to section 501 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1), there shall be set aside to carry out this section $1,000,000 for fiscal year 1993. Any amounts provided pursuant to this section shall remain available until expended.'.

(b) Functions of the Commission. - Section 943(d)(1) of the Cranston-Gonzalez National Affordable Housing Act is amended -

(1) in subparagraph (G), by striking 'and' at the end;
(2) by adding after subparagraph (G) the following new subparagraphs:

'(H) evaluate the extent to which manufacturers in compliance with Federal standards do and should comply with State implied or expressed warranty requirements;

'(I) examine the feasibility of expanding and establishing standards governing manufactured home sales including transportation and on-site set up; and'; and

(3) by redesignating subparagraph (H) as subparagraph (J).

(c) Extension of Termination Date. - Section 943(g) of the Cranston-Gonzalez National Affordable Housing Act is amended by striking 'upon the expiration of the 9 months following the appointment of all the members under subsection (c)' and inserting 'on October 1, 1993'.

(d) Staff. - Section 943(e) of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625; 104 Stat. 44134) is amended by adding at the end the following new paragraph:

'(7) Staff. -

'(A) Executive director. - The Commission shall appoint an executive director of the Commission who shall be compensated at a rate fixed by the Commission, but which may not exceed the rate established for level V of the Executive Schedule under title 5, United States Code.

'(B) Personnel. - In addition to the executive director, the Commission may appoint and fix the compensation of such personnel as the Commission deems advisable, in accordance with the provisions of title 5, United States Code, governing appointments to the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

'(C) Limitation. - This paragraph shall be effective only to the extent amounts are made available in appropriation Acts.'.

SEC. 907. MANUFACTURED HOUSING.

Section 604 of the Housing and Community Development Act of 1974 (42 U.S.C. 5403) is amended by adding at the end the following new subsection:

'(j) The Secretary shall develop a new standard for hardboard panel siding on manufactured housing taking into account durability, longevity, consumer's costs for maintenance and any other relevant information pursuant to subsection (f). The
Secretary shall consult with the National Manufactured Home Advisory Council and the National Commission on Manufactured Housing in establishing the new standard. The new performance standard developed shall ensure the durability of hardboard sidings for at least a normal life of a mortgage with minimum maintenance required. Not later than 180 days from the date of enactment of this subsection, the Secretary shall update the standards for hardboard siding.'.

SEC. 908. REAL ESTATE SETTLEMENT PROCEDURES ACT OF 1974.

(a) Applicability to Mortgage Origination. - Section 3(3) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2602(3)) is amended by inserting after 'broker,' the following: 'the origination of a federally related mortgage loan (including, but not limited to, the taking of loan applications, loan processing, and the underwriting and funding of loans),'.

(b) Applicability to Second Mortgages and Refinancings. - Section 3(1)(A) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2602(1)(A)) is amended-

(1) by inserting 'or subordinate' after 'first'; and

(2) by inserting before the semicolon the following: ', including any such secured loan, the proceeds of which are used to prepay or pay off an existing loan secured by the same property'.

(c) Regulations. - The Secretary of Housing and Urban Development shall issue regulations to implement the amendments made by this section not later than the expiration of the 180-day period beginning on the date of the enactment of this Act. The regulations shall be issued after notice and opportunity for public comment 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).

(d) Effective Date. - This section shall take effect on the date of enactment of this Act and shall not apply retroactively.

SEC. 909. COMMUNITY REINVESTMENT ACT OF 1977.

The Community Reinvestment Act of 1977 (12 U.S.C. 2901 et seq.) is amended -

(1) in section 804 -

(A) by inserting before the first sentence the following: '(a) In General. - '; and

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

'(b) Majority-Owned Institutions. - In assessing and taking into
account, under subsection (a), the record of a nonminority-owned and nonwomen-owned financial institution, the appropriate Federal financial supervisory agency may consider as a factor capital investment, loan participation, and other ventures undertaken by the institution in cooperation with minority- and women-owned financial institutions and low-income credit unions provided that these activities help meet the credit needs of local communities in which such institutions and credit unions are chartered.'; and

(2) in section 808(a), by striking 'shall be treated as' and inserting 'may be a factor in determining whether the depository institution is'.

SEC. 910. REPORT ON COMMUNITY DEVELOPMENT LENDING.

(a) In General. - Not later than 12 months after the date of enactment of this section, the Board of Governors of the Federal Reserve System, in consultation with the Comptroller of the Currency, the Chairman of the Federal Deposit Insurance Corporation, the Director of the Office of Thrift Supervision, and the Chairman of the National Credit Union Administration, shall submit a report to the Congress comparing residential, small business, and commercial lending by insured depository institutions in low-income, minority, and distressed neighborhoods to such lending in other neighborhoods.

(b) Contents of Report. - The report required by subsection (a) shall -

(1) compare the risks and returns of lending in low-income, minority, and distressed neighborhoods with the risks and returns of lending in other neighborhoods;

(2) analyze the reasons for any differences in risk and return between low-income, minority, and distressed neighborhoods and other neighborhoods; and

(3) if the risks of lending in low-income, minority, and distressed neighborhoods exceed the risks of lending in other neighborhoods, recommend ways of mitigating those risks.

SEC. 911. SUBSIDY LAYERING REVIEW.

(a) In General. - The Secretary shall establish guidelines for housing credit agencies, as defined under section 42 of the Internal Revenue Code of 1986, to implement the requirements of section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545(d)) for projects receiving assistance within the jurisdiction of the Department of Housing and Urban Development and under section 42 of the Internal Revenue Code of 1986.

(b) In Particular. - The guidelines established pursuant to subsection (a) shall -
(1) require that the amount of equity capital contributed by investors to a project partnership is not less than the amount generally contributed by investors in current market conditions, as determined by the housing credit agency; and

(2) require that project costs, including developer fees, are within a reasonable range, taking into account project size, project characteristics, project location and project risk factors, as determined by the housing credit agency.

(c) Effective Date. - As of January 1, 1993, a housing credit agency shall carry out the responsibilities of section 102(d) of the Housing and Urban Development Reform Act for projects allocated a low-income housing tax credit pursuant to section 42 of the Internal Revenue Code of 1986 if such agency certifies to the Secretary that it is properly implementing the guidelines established under subsection (a). The Secretary may revoke the responsibility delegated in the preceding sentence if the Secretary determines that a housing credit agency has failed to properly implement such guidelines.

(d) Applicability. - Section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545(d)) shall apply only to projects for which an application for assistance or insurance was filed after the date of enactment of the Housing and Urban Development Reform Act.

SEC. 912. SOLAR ASSISTANCE FINANCING ENTITY.

(a) Establishment. - The Secretary of Housing and Urban Development shall establish within the Department of Housing and Urban Development the Solar Assistance Financing Entity (in this section referred to as the 'Entity').

(b) Purpose. - The purpose of the Entity shall be to assist in financing solar and renewable energy capital investments and projects for eligible buildings under subsection (c).

(c) Eligible Buildings. - The Entity may provide assistance under this section only for the following buildings:

(1) Single family housing. - Any building consisting of 1 to 4 dwelling units that has a system for heating or cooling, or both.

(2) Multifamily housing. - Any building consisting of more than 4 dwelling units that has a system for heating or cooling, or both.

(3) Commercial buildings. - Any building used primarily to carry on a business (including any nonprofit business) that is not used primarily for the manufacture or production of raw materials, products, or agricultural commodities.
(4) Schools, hospitals, and agricultural buildings. - Any school, any hospital, and any building used exclusively in connection with the harvesting, storage, or drying of agricultural commodities.

(5) Other buildings. - Any other building of a type that the Entity considers appropriate.

(d) Financing Options. - Assistance provided under this section by the Entity may be provided only for programs for financing solar and renewable energy capital investments and projects, which may include programs for making loans, making grants, reducing the principal obligations of loans, prepayment of interest on loans, purchase and sale of loans and advances of credit, providing loan guarantees, providing loan downpayment assistance, and providing rebates and other incentives for the purchase and installation of solar and renewable energy measures.

(e) Authority to Leverage Other Funds. - The Entity may encourage or require programs receiving assistance under this section to supplement the assistance received under this section with amounts from other public and private sources, and, in making assistance under this section available, may give preference to programs that leverage amounts from such other sources.

(f) Provision of Assistance. - The Entity shall provide assistance under this section through State agencies responsible for developing State energy conservation plans pursuant to section 362 of the Energy Policy and Conservation Act, or any other entity or agency authorized to specifically carry out the purposes of this section.

(g) Regulations. - Not later than the expiration of the 12-month period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development, in consultation with the Secretary of Energy, shall issue any regulations necessary to carry out this section, which shall ensure maximum flexibility in utilizing amounts made available under this section.

(h) Authorization of Appropriations. - There are authorized to be appropriated to carry out this section $10,000,000 for fiscal year 1993 and $10,420,000 for fiscal year 1994. Such sums are to be available until expended.

(i) Repeals. -


(2) Federal national mortgage association charter act. - Sections 315 and 316 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723g, 1723h) are repealed.
SEC. 913. TECHNICAL AND CONFORMING AMENDMENTS RELATING TO LABOR WAGE RATES UNDER HOUSING PROGRAMS.

(a) Supportive Housing for the Elderly. - Section 202(j)(5) of the Housing Act of 1959 (12 U.S.C. 1701q(j)(5)), as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act, is amended to read as follows:

'(5) Labor . -

'(A) In general . - The Secretary shall take such action as may be necessary to ensure that all laborers and mechanics employed by contractors and subcontractors in the construction of housing with 12 or more units assisted under this section shall be paid wages at rates not less than the rates prevailing in the locality involved for the corresponding classes of laborers and mechanics employed on construction of a similar character, as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (commonly known as the Davis-Bacon Act).

'(B) Exemption . - Subparagraph (A) shall not apply to any individual who -

'(i) performs services for which the individual volunteered;

'(ii)(I) does not receive compensation for such services; or

'(II) is paid expenses, reasonable benefits, or a nominal fee for such services; and

'(iii) is not otherwise employed at any time in the construction work.'.

(b) Supportive Housing for Persons With Disabilities. - Section 811(j)(6) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(j)(6)) is amended -

(1) by striking '(6) Labor standards . - The Secretary' and inserting the following:

'(6) Labor standards . -

'(A) In general . - The Secretary';

(2) by striking 'assisted under this section and designed for dwelling use by 12 or more persons with disabilities' and inserting 'with 12 or more units assisted under this section';

(3) by inserting 'commonly known as' before 'the Davis-Bacon Act';
(4) by striking '; but the Secretary' and all that follows through 'undertaking the construction'; and

(5) by adding at the end the following new subparagraph:

'(B) Exemption . - Subparagraph (A) shall not apply to any individual who -

'(i) performs services for which the individual volunteered;

'(ii)(I) does not receive compensation for such services; or

'(II) is paid expenses, reasonable benefits, or a nominal fee for such services; and

'(iii) is not otherwise employed at any time in the construction work.'.

SEC. 914. ENERGY EFFICIENT MORTGAGES.

(a) Definition of Energy Efficient Mortgage. - Section 104 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704), as amended by section 210(a)(1) of this Act, is further amended by adding at the end the following new paragraph:

'(25) The term 'energy efficient mortgage' means a mortgage that provides financing incentives for the purchase of energy efficient homes, or that provides financing incentives to make energy efficiency improvements in existing homes by incorporating the cost of such improvements in the mortgage.'.

(b) Uniform Mortgage Financing Plan for Energy Efficiency. - Section 946 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12712 note) is amended -

(1) in subsection (a), by striking 'mortgage financing incentives for energy efficiency' and inserting 'energy efficient mortgages (as such term is defined in section 104 of this Act)'; and

(2) in subsection (b) -

(A) in the second sentence, by inserting ', but not be limited to,' after 'include'; and

(B) by inserting after the period at the end of the following new sentence: 'The Task Force shall determine whether notifying potential home purchasers of the availability of energy efficient mortgages would promote energy efficiency in residential buildings, and if so, the Task Force shall recommend appropriate notification guidelines, and agencies and organizations referred to in
the preceding sentence are authorized to implement such guidelines.'.

SEC. 915. ECONOMIC OPPORTUNITIES FOR LOW- AND VERY LOW-INCOME PERSONS.

Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) is amended to read as follows:

'SEC. 3. ECONOMIC OPPORTUNITIES FOR LOW- AND VERY LOW-INCOME PERSONS.

'(a) Findings. - The Congress finds that -

'(1) Federal housing and community development programs provide State and local governments and other recipients of Federal financial assistance with substantial funds for projects and activities that produce significant employment and other economic opportunities;

'(2) low- and very low-income persons, especially recipients of government assistance for housing, often have restricted access to employment and other economic opportunities;

'(3) the employment and other economic opportunities generated by projects and activities that receive Federal housing and community development assistance offer an effective means of empowering low- and very low-income persons, particularly persons who are recipients of government assistance for housing; and

'(4) prior Federal efforts to direct employment and other economic opportunities generated by Federal housing and community development programs to low- and very low-income persons have not been fully effective and should be intensified.

'(b) Policy. - It is the policy of the Congress and the purpose of this section to ensure that the employment and other economic opportunities generated by Federal financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed toward low- and very low-income persons, particularly those who are recipients of government assistance for housing.

'(c) Employment. -

'(1) Public and Indian housing program. -

'(A) In general. - The Secretary shall require that public and Indian housing agencies, and their contractors and subcontractors, make their best efforts, consistent with existing Federal, State, and local laws and regulations, to give to low- and very low-income persons the training and employment opportunities
generated by development assistance provided pursuant to section 5 of the United States Housing Act of 1937, operating assistance provided pursuant to section 9 of that Act, and modernization grants provided pursuant to section 14 of that Act.

'(B) Priority. - The efforts required under subparagraph (A) shall be directed in the following order of priority:

'(i) To residents of the housing developments for which the assistance is expended.

'(ii) To residents of other developments managed by the public or Indian housing agency that is expending the assistance.

'(iii) To participants in Youthbuild programs receiving assistance under subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act.

'(iv) To other low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is expended.

'(2) Other programs. -

'(A) In general. - In other programs that provide housing and community development assistance, the Secretary shall ensure that, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the project is located.

'(B) Priority. - Where feasible, priority should be given to low- and very low-income persons residing within the service area of the project or the neighborhood in which the project is located and to participants in Youthbuild programs receiving assistance under subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act.

'(d) Contracting. -

'(1) Public and indian housing program. -

'(A) In general. - The Secretary shall require that public and Indian housing agencies, and their contractors and subcontractors, make their best efforts, consistent with existing Federal, State, and local laws and regulations, to award contracts for work to be performed in connection with development assistance provided pursuant to section 5 of the United States Housing Act of
1937, operating assistance provided pursuant to section 9 of that Act, and modernization grants provided pursuant to section 14 of that Act, to business concerns that provide economic opportunities for low- and very low-income persons.

'(B) Priority. - The efforts required under subparagraph (A) shall be directed in the following order of priority:

'(i) To business concerns that provide economic opportunities for residents of the housing development for which the assistance is provided.

'(ii) To business concerns that provide economic opportunities for residents of other housing developments operated by the public and Indian housing agency that is providing the assistance.

'(iii) To Youthbuild programs receiving assistance under subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act.

'(iv) To business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is provided.

'(2) Other programs. -

'(A) In general. - In providing housing and community development assistance pursuant to other programs, the Secretary shall ensure that, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, contracts awarded for work to be performed in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is expended.

'(B) Priority. - Where feasible, priority should be given to business concerns which provide economic opportunities for low- and very low-income persons residing within the service area of the project or the neighborhood in which the project is located and to Youthbuild programs receiving assistance under subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act.

'(e) Definitions. - For the purposes of this section the following definitions shall apply:

'(1) Low- and very low-income persons. - The terms 'low-income persons' and 'very low-income persons' have the same meanings given the terms 'low-income families' and 'very low-income
families', respectively, in section 3(b)(2) of the United States Housing Act of 1937.

'(2) Business concern that provides economic opportunities. - The term 'a business concern that provides economic opportunities' means a business concern that -

'(A) provides economic opportunities for a class of persons that has a majority controlling interest in the business;

'(B) employs a substantial number of such persons; or

'(C) meets such other criteria as the Secretary may establish.

'(f) Coordination With Other Federal Agencies. - The Secretary shall consult with the Secretary of Labor, the Secretary of Health and Human Services, the Secretary of Commerce, the Administrator of the Small Business Administration, and such other Federal agencies as the Secretary determines are necessary to carry out this section.

'(g) Regulations. - Not later than 180 days after the date of enactment of the National Affordable Housing Act Amendments of 1992, the Secretary shall promulgate regulations to implement this section.'.


(a) In General. - The Secretary of Housing and Urban Development shall submit to the Congress, not later than 1 year after the date of the enactment of this Act, a report describing -

(1) the Secretary's efforts to enforce section 3 of the Housing and Urban Development Act of 1968;

(2) the barriers to full implementation of section 3 of the Housing and Urban Development Act of 1968;

(3) the anticipated costs and benefits of full implementation of section 3 of the Housing and Urban Development Act of 1968; and

(4) recommendations for legislative changes to enhance the effectiveness of section 3 of the Housing and Urban Development Act of 1968.

(b) Contents. -

(1) Enforcement. - The description under subsection (a)(1) of the Secretary's enforcement efforts shall include, at a minimum -
(A) a discussion of how responsibility for implementing section 3 of the Housing and Urban Development Act of 1968 is allocated within the Department of Housing and Urban Development;

(B) a discussion of the status of existing regulations implementing such section 3;

(C) a discussion of ongoing efforts to enforce current regulations;

(D) a list of the programs under the responsibility of the Secretary with respect to which the Secretary is enforcing section 3; and

(E) a separate description of the activities carried out under section 3 with respect to each of these programs.

(2) Impediments. - The discussion under subsection (a)(2) of the external impediments to effective enforcement of section 3 of the Housing and Urban Development Act of 1968 shall include, at a minimum, a discussion of -

(A) any lack of necessary training for targeted employees and technical assistance to targeted businesses;

(B) any barriers created by Federal, State, or local procurement regulations or other laws;

(C) any difficulties in coordination with labor unions;

(D) any difficulties in coordination with other implicated Federal agencies; and

(E) any lack of resources on the part of recipients of assistance who are responsible for carrying out section 3 of the Housing and Urban Development Act of 1968.

(c) Consultation. - In preparing the report under this subsection, the Secretary shall consult with the Secretary of Labor, the Secretary of Commerce, the Secretary of Health and Human Services, the Administrator of the Small Business Administration, other appropriate Federal officials, and recipients of Federal housing and community development assistance who are responsible for executing section 3 of the Housing and Urban Development Act of 1968.

SEC. 917. INDIAN HOUSING AUTHORITIES.

There is authorized to be appropriated $500,000 for fiscal year 1993 and $521,000 for fiscal year 1994 to a nonprofit organization under section 501(c)(3) of the Internal Revenue Code of 1986 that has been in existence since 1975 and that provides training,
technical assistance, and information to Indian housing authorities, Indian tribal governments, and other groups. These sums shall be used by such nonprofit organization to -

(1) provide technical assistance and training to Indian housing authorities;

(2) improve the administrative capacities of Indian housing authorities; and

(3) provide for other activities designed to improve Indian housing conditions.

SEC. 918. STUDY REGARDING FORECLOSURE ALTERNATIVES.

(a) In General. - The Secretary of Housing and Urban Development shall conduct a study to review and analyze alternatives to foreclosure for homeowners whose principal residences are subject to federally-related mortgages (in connection with federally related mortgage loans, as such term is defined in section 3 of the Real Estate Settlement Procedures Act of 1974) under which the homeowner is in default. In conducting the study, the Secretary -

(1) may consult with any appropriate Federal agencies that make, insure, or guarantee mortgage loans relating to 1- to 4-family dwellings and with the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, and the Federal Agricultural Mortgage Corporation; and

(2) shall review and assess the adequacy, with respect to providing alternatives to foreclosure, of -

(A) the temporary mortgage assistance payments program authorized under section 230 of the National Housing Act;

(B) the authority of the Secretary to modify interest rates and other terms of mortgages transferred to the Secretary under section 7(i) of the Department of Housing and Urban Development Act; and

(C) any authority pursuant to Debt Collection Act of 1982 to reduce interest rates on outstanding debt to the borrowing rate for the Treasury of the United States.

The Secretary shall evaluate alternatives to foreclosure based on fairness of the procedures to the homeowner and reducing adverse effects on the mortgage lending system.

(b) Report. - Not later than March 1, 1993, the Secretary shall submit a report to the Congress regarding the results of the study conducted under subsection (a). The report shall contain a detailed description and assessment of each alternative to foreclosure analyzed under the study and a statement by the Secretary regarding
the intent of the Secretary to use any authority available under the provisions referred to in subsection (a)(2) to avoid foreclosure under mortgages (and any reasons for not using such authority). The report may also contain any recommendations of the Secretary for administrative or legislative action to assist homeowners to avoid foreclosure and any loss of equity in their mortgaged homes that may result from foreclosure.

SEC. 919. REGULATIONS CLARIFYING THE TERM 'HOUSING FOR OLDER PERSONS'.

The Secretary of Housing and Urban Development shall, not later than 180 days after the date of the enactment of this Act, make rules defining what are 'significant facilities and services especially designed to meet the physical or social needs of older persons' required under section 807(b)(2) of the Fair Housing Act to meet the definition of the term 'housing for older persons' in such section.

SEC. 920. USE OF DOMESTIC PRODUCTS.

(a) Prohibition Against Fraudulent Use of 'Made in America' Labels. - A person shall not intentionally affix a label bearing the inscription of 'Made in America', or any inscription with that meaning, to any product sold in or shipped to the United States, if that product is not a domestic product.

(b) Report. - The Secretary of Housing and Urban Development and the Secretary of Agriculture shall each submit, before January 1, 1994, a report to the Congress on procurements of products that are not domestic products.

(c) Definitions. - For the purposes of this section, the term 'domestic product' means a product -

(1) that is manufactured or produced in the United States; and

(2) at least 50 percent of the cost of the articles, materials, or supplies of which are mined, produced, or manufactured in the United States.

SEC. 921. IMPROVED COORDINATION OF URBAN POLICY.

Title VII of the Housing and Urban Development Act of 1970 (42 U.S.C. 4501 et seq.) is amended -

(1) in section 702(d), by striking paragraph (8) and inserting the following:

'(8) increase coordination among Federal programs that seek to promote job opportunities and skills, decent and affordable housing, public safety, access to health care, educational opportunities, and fiscal soundness for urban communities and
their residents.';

(2) in section 703(a) -

(A) by striking 'during February 1978, and during February of every even-numbered year thereafter,' and inserting ', not later than June 1, 1993, and not later than the first day of June of every odd-numbered year thereafter,'; and

(B) in paragraph (8), by striking 'such' and all that follows through the end of the sentence and inserting 'legislative or administrative proposals -

'(A) to promote coordination among Federal programs to assist urban areas;

'(B) to enhance the fiscal capacity of fiscally distressed urban areas;

'(C) to promote job opportunities in economically distressed urban areas and to enhance the job skills of residents of such areas;

'(D) to generate decent and affordable housing;

'(E) to reduce racial tensions and to combat racial and ethnic violence in urban areas;

'(F) to combat urban drug abuse and drug-related crime and violence;

'(G) to promote the delivery of health care to low-income communities in urban areas;

'(H) to expand educational opportunities in urban areas; and

'(I) to achieve the goals of the national urban policy.'; and

(3) by adding at the end of section 703 the following new subsection:

'(d) Referral. - The National Urban Policy Report shall, when transmitted to Congress, be referred in the Senate to the Committee on Banking, Housing, and Urban Affairs, and in the House of Representatives to the Committee on Banking, Finance and Urban Affairs.'.

SEC. 922. PROHIBITION OF LUMP-SUM PAYMENTS.

The Department of Housing and Urban Development Act (42 U.S.C. 3531 et seq.) is amended by adding at the end the following new
section:

'PROHIBITION OF LUMP-SUM PAYMENTS

'Sec. 14. In providing relocation assistance in connection with any program administered by the Department of Housing and Urban Development, the Secretary may not make lump-sum payments to any displaced residential tenant, except where necessary to cover -

'(1) moving expenses;

'(2) a downpayment on the purchase of a replacement residence, including a condominium unit or membership in a cooperative housing association; or

'(3) any incidental expenses related to paragraph (1) or (2).'.

SEC. 923. ECONOMIC INDEPENDENCE.

The Secretary of Housing and Urban Development should immediately implement section 957 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12714). Other Federal agencies authorized to assist low-income families should take similar steps to encourage economic independence and the accumulation of assets.

SEC. 924. ADMINISTRATIVE PROVISION.

Subject to the availability of appropriations for this purpose, the Secretary of Housing and Urban Development shall cancel the indebtedness of the town of McLain, Mississippi, relating to the public facilities loan (Project No. MS 94-PFL39456). The town of McLain, Mississippi, is relieved of all liability to the Government for the outstanding principal balance on such loan, for the amount of accrued interest on such loan, and for any other fees and charges payable in connection with such loan.

SEC. 925. PERFORMANCE GOALS.

(a) Performance Goals for the Department of Housing and Urban Development. -

(1) In general. - The Secretary of the Department of Housing and Urban Development (hereafter in this Act referred to as the 'Secretary') may establish performance goals for the major programs of the Department of Housing and Urban Development in order to measure progress towards meeting the objectives of national housing policy.

(2) Form of goals. - The performance goals referred to in paragraph (1) shall be expressed in terms sufficient to measure progress.

(3) Report. - The Secretary shall include in the Secretary's
annual report to the Congress a description of the progress made in
attaining the performance goals for each program, citing the
results achieved in each program for the previous year.

(4) Failure to meet goals. - If a performance standard or
goal has not been met, the description under paragraph (3) shall
include an explanation of why the goal was not met, propose plans
for achieving the performance goal, and recommend any legislative
or regulatory changes necessary for achievement of the goal.

(b) Performance Goals for the Farmers Home Administration. -

(1) In general. - The Secretary of Agriculture may establish
performance goals for the major housing programs of the Farmers
Home Administration in order to measure progress towards meeting
the objectives of national housing policy.

(2) Form of goals. - The performance goals referred to in
paragraph (1) shall be expressed in terms sufficient to measure
progress.

(3) Report. - The Secretary of Agriculture shall prepare a
report to the Congress on the progress made in attaining the
performance goals for each program, citing the actual results
achieved in such program for the previous year.

(4) Failure to meet goals. - If a performance standard or
goal has not been met, the report under paragraph (3) shall include
an explanation of why the goal was not met, propose plans for
achieving the performance goal, and recommend any legislative or
regulatory changes necessary for achievement of the goal.

SEC. 926. REGULATION OF CONSULTANTS.

Section 13(f)(1) of the Department of Housing and Urban
Development Act (42 U.S.C. 3537b(f)(1)) is amended by striking
'authority', 'State', and 'local government', and by adding
immediately before the period at the end the following: ', but does
not include a State or local government, or the officer or employee
of a State or local government or housing finance agency thereof
who is engaged in the official business of the State or local
government'.

SEC. 927. CLARIFICATION ON UTILITY ALLOWANCES.

(a) Eligibility. - Tenants who -

(1) are responsible for making out-of-pocket payments for
utility bills; and

(2) receive energy assistance through utility allowances that
include energy costs under programs identified in subsection
(c);
shall not have their eligibility or benefits under other programs designed to assist low-income people with increases in energy costs since 1978 (including but not limited to the Low-Income Home Energy Assistance Program) reduced or eliminated.

(b) Equal Treatment in Benefit Programs. - Tenants described in subsection (a) shall be treated identically with other households eligible for such assistance, including in the determination of the home energy costs for which they are individually responsible and in the determination of their incomes.

(c) Applicability. - This section applies to programs under the United States Housing Act of 1937, the National Housing Act, section 101 of the Housing and Urban Development Act of 1965, section 202 of the Housing Act of 1959, and title V of the Housing Act of 1949.

SEC. 928. FLOOD CONTROL RESTORATION ZONE.

Section 1307 of the National Flood Insurance Act of 1968 is amended by adding at the end the following new subsection:

'(f) Notwithstanding any other provision of law, this subsection shall only apply in a community which has been determined by the Director of the Federal Emergency Management Agency to be in the process of restoring flood protection afforded by a flood protection system that had been previously accredited on a Flood Insurance Rate Map as providing 100-year frequency flood protection but no longer does so. Except as provided in this subsection, in such a community, flood insurance shall be made available to those properties impacted by the disaccreditation of the flood protection system at premium rates that do not exceed those which would be applicable to any property located in an area of special flood hazard, the construction of which was started prior to the effective date of the initial Flood Insurance Rate Map published by the Director for the community in which such property is located. A revised Flood Insurance Rate Map shall be prepared for the community to delineate as Zone AR the areas of special flood hazard that result from the disaccreditation of the flood protection system. A community will be considered to be in the process of restoration if -

'(1) the flood protection system has been deemed restorable by a Federal agency in consultation with the local project sponsor;

'(2) a minimum level of flood protection is still provided to the community by the dis accredited system; and

'(3) restoration of the flood protection system is scheduled to occur within a designated time period and in accordance with a progress plan negotiated between the community and the Federal Emergency Management Agency.
Communities that the Director of the Federal Emergency Management Agency determines to meet the criteria set forth in paragraphs (1) and (2) as of January 1, 1992, shall not be subject to revised Flood Insurance Rate Maps that contravene the intent of this subsection. Such communities shall remain eligible for C zone rates for properties located in zone AR for any policy written prior to promulgation of final regulations for this section. Floodplain management criteria for such communities shall not require the elevation of improvements to existing structures and shall not exceed 3 feet above existing grade for new construction, provided the base flood elevation based on the disaccredited flood control system does not exceed five feet above existing grade, or the remaining new construction in such communities is limited to infill sites, rehabilitation of existing structures, or redevelopment of previously developed areas.

The Director of the Federal Emergency Management Agency shall develop and promulgate regulations to implement this subsection, including minimum floodplain management criteria, within 24 months after the date of enactment of this subsection.'.

SEC. 929. SALARIES AND EXPENSES.

Section 7 of the Department of Housing and Urban Development Act (42 U.S.C. 3535) is amended by inserting at the end the following new subsection:

'(s)(1) Notwithstanding any other provision of law, there is authorized to be appropriated for salaries and expenses to carry out the purposes of this section $988,000,000 for fiscal year 1993 and $1,029,496,000 for fiscal year 1994.

'(2) Of the amounts authorized to be appropriated by this section, $96,000,000 shall be available for each of the fiscal years 1993 and 1994, which amounts shall be used to provide staff in regional, field, or zone offices of the Department of Housing and Urban Development to review, process, approve, and service applications for mortgage insurance under title II of the National Housing Act for housing consisting of 5 or more dwelling units.

'(3) Of the amounts authorized to be appropriated to carry out this section, not less than $5,000,000 of such amount shall be available for each fiscal year exclusively for the purposes of providing ongoing training and capacity building for Department personnel.'.

SEC. 930. THE NATIONAL CITIES IN SCHOOLS COMMUNITY DEVELOPMENT PROGRAM.

(a) Purpose. - The purposes of this section are -

(1) to empower the local community by investing in its human capital through a private-public partnership to rebuild urban and rural communities through schools and other community
organizations, including public housing communities; and

(2) to ensure that by December 1997, the Cities in Schools Program, through the National Center for Partnership Development, will have developed the capacity to reach 500,000 at-risk youth and their families through community-wide programs that channel existing community resources to provide personal, coordinated and accountable support.

(b) Grants To Strengthen the National Cities in Schools Program. - The Secretary of Housing and Urban Development shall make grants to expand the National Cities in Schools Program and operations of the National Center for Partnership Development to -

(1) develop, establish, and support projects to strengthen local community dropout prevention programs in elementary and secondary schools;

(2) train community leaders responsible for the implementation of local community Cities in Schools dropout prevention programs; and

(3) disseminate to, and support replication by, States and communities of effective dropout prevention strategies.

(c) Authorization. - There are authorized to be appropriated to carry out this section $10,000,000 for fiscal year 1993 and $10,420,000 for fiscal year 1994.

SEC. 931. BANK ENTERPRISE ACT OF 1991 AND RELATED PROVISIONS.

(a) Assessment Rate for Lifeline Account Deposits . - Section 7(b)(10) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(10)) (as added by section 232(b)(2) of the Bank Enterprise Act of 1991) is amended by striking 'at the assessment rate of 1/2 the maximum rate.' and inserting 'at an assessment rate to be determined by the Corporation by regulation. Such assessment rate may not be less than 1/2 the maximum assessment rate.'.

(b) Assessment Procedure . - Section 7(b)(2)(A)(iii)(I) of the Federal Deposit Insurance Act (12 U.S.C. 1917(b)(2)(A)(iii)(I)) (as added by section 232(b)(3)(C) of the Bank Enterprise Act of 1991) is amended to read as follows:

'(I) the assessment rate determined by the Corporation pursuant to paragraph (10) with respect to such semiannual period; and'.

(c) Qualifying Activities for Assessment Credits . - Section 233(a)(2) of the Bank Enterprise Act of 1991 (12 U.S.C. 1934a(a)(2)) is amended to read as follows:

'(2) Qualifying activities . - An insured depository institution shall be eligible for any community enterprise
assessment credit for any semiannual period for -

'(A) the amount, during such period, of new originations of qualified loans and other financial assistance provided for low- and moderate-income persons in distressed communities, or enterprises integrally involved with such neighborhoods, which the Board determines are qualified to be taken into account for purposes of this subsection; and

'(B) the amount, during such period, of deposits accepted from persons domiciled in the distressed community, at any office of the institution (including any branch) located in any qualified distressed community, and new originations of any loans and other financial assistance made within that community, except that in no case shall the credit for deposits at any institution or branch exceed the credit for loans and other financial assistance by the bank or branch in the distressed community.'.

(d) Amount of Assessment Credit . - Section 233(a)(3) of the Bank Enterprise Act of 1991 (12 U.S.C. 1934a(a)(3)) is amended to read as follows:

'(3) Amount of assessment credit . - The amount of any community enterprise assessment credit available under section 7(d)(4) of the Federal Deposit Insurance Act for any insured depository institution, or a qualified portion thereof, shall be the amount which is equal to 5 percent, in the case of an institution which does not meet the community development organization requirements under section 234, and 15 percent, in the case of an institution, or a qualified portion thereof, which meets such requirements (or any percentage designated under paragraph (5)) of -

'(A) for the first full semiannual period in which community enterprise assessment credits are available, the sum of -

'(i) the amounts of assets described in paragraph (2)(A); and

'(ii) the amounts of deposits, loans, and other financial assistance described in paragraph (2)(B); and

'(B) for any subsequent semiannual period, the sum of -

'(i) any increase during such period in the amount of assets described in paragraph (2)(A) that has been deemed eligible for credit by the Board; and

'(ii) any increase during such period in the amounts of deposits, loans, and other financial assistance described in paragraph (2)(B) that has been deemed eligible for credit by the Board.'.
(e) Eligibility Requirements for Qualified Distressed Communities.

Section 233(b)(4) of the Bank Enterprise Act of 1991 (12 U.S.C. 1934a(b)(4)) is amended to read as follows:

'(4) Eligibility requirements.

For purposes of this subsection, an area meets the requirements of this paragraph if the following criteria are met:

'(A) At least 30 percent of the residents residing in the area have incomes which are less than the national poverty level.

'(B) The unemployment rate for the area is 1 1/2 times greater than the national average (as determined by the Bureau of Labor Statistics' most recent figures).

'(C) Such additional eligibility requirements as the Board may, in its discretion, deem necessary to carry out the provisions of this subtitle.'.

SEC. 932. DISCLOSURES UNDER THE HOME MORTGAGE DISCLOSURE ACT OF 1975.

(a) In General.

Section 304 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803) is amended by adding at the end the following new subsections:

'(j) Loan Application Register Information.

'(1) In general.

In addition to the information required to be disclosed under subsections (a) and (b), any depository institution which is required to make disclosures under this section shall make available to the public, upon request, loan application register information (as defined by the Board by regulation) in the form required under regulations prescribed by the Board.

'(2) Format of disclosure.

'(A) Unedited format.

Subject to subparagraph (B), the loan application register information described in paragraph (1) may be disclosed by a depository institution without editing or compilation and in the format in which such information is maintained by the institution.

'(B) Protection of applicant's privacy interest.

The Board shall require, by regulation, such deletions as the Board may determine to be appropriate to protect:

'(i) any privacy interest of any applicant, including the deletion of the applicant's name and identification number, the date of the application, and the date of any determination by the institution with respect to
such application; and

'(ii) a depository institution from liability under any Federal or State privacy law.

'(C) Census tract format encouraged. - It is the sense of the Congress that a depository institution should provide loan register information under this section in a format based on the census tract in which the property is located.

'(3) Change of form not required. - A depository institution meets the disclosure requirement of paragraph (1) if the institution provides the information required under such paragraph in the form in which the institution maintains such information.

'(4) Reasonable charge for information. - Any depository institution which provides information under this subsection may impose a reasonable fee for any cost incurred in reproducing such information.

'(5) Time of disclosure. - The disclosure of the loan application register information described in paragraph (1) for any year pursuant to a request under paragraph (1) shall be made -

'(A) in the case of a request made on or before March 1 of the succeeding year, before April 1 of the succeeding year; and

'(B) in the case of a request made after March 1 of the succeeding year, before the end of the 30-day period beginning on the date the request is made.

'(6) Retention of information. - Notwithstanding subsection (c), the loan application register information described in paragraph (1) for any year shall be maintained and made available, upon request, for 3 years after the close of the 1st year during which such information is required to be maintained and made available.

'(7) Minimizing compliance costs. - In prescribing regulations under this subsection, the Board shall make every effort to minimize the costs incurred by a depository institution in complying with this subsection and such regulations.

'(k) Disclosure of Statements by Depository Institutions. -

'(1) In general. - In accordance with procedures established by the Board pursuant to this section, any depository institution required to make disclosures under this section -

'(A) shall make a disclosure statement available, upon request, to the public no later than 3 business days after the institution receives the statement from the Federal
Financial Institutions Examination Council; and

'(B) may make such statement available on a floppy disc which may be used with a personal computer or in any other media which is not prohibited under regulations prescribed by the Board.

'(2) Notice that data is subject to correction after final review. - Any disclosure statement provided pursuant to paragraph (1) shall be accompanied by a clear and conspicuous notice that the statement is subject to final review and revision, if necessary.

'(3) Reasonable charge for information. - Any depository institution which provides a disclosure statement pursuant to paragraph (1) may impose a reasonable fee for any cost incurred in providing or reproducing such statement.

'(1) Prompt Disclosures. -

'(1) In general. - Any disclosure of information pursuant to this section or section 310 shall be made as promptly as possible.

'(2) Maximum disclosure period. -

'(A) 6- and 9-month maximum periods. - Except as provided in subsections (j)(5) and (k)(1) and regulations prescribed by the Board and subject to subparagraph (B), any information required to be disclosed for any year beginning after December 31, 1992, under

'(i) this section shall be made available to the public before September 1 of the succeeding year; and

'(ii) section 310 shall be made available to the public before December 1 of the succeeding year.

'(B) Shorter periods encouraged after 1994. - With respect to disclosures of information under this section or section 310 for any year beginning after December 31, 1993, every effort shall be made -

'(i) to make information disclosed under this section available to the public before July 1 of the succeeding year; and

'(ii) to make information required to be disclosed under section 310 available to the public before September 1 of the succeeding year.

'(3) Improved procedure. - The Federal Financial Institutions Examination Council shall make such changes in the system established pursuant to subsection (f) as may be necessary
to carry out the requirements of this subsection.'.

(b) Technical and Conforming Amendment. - Section 304(c) of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803(c)) is amended by inserting ', other than loan application register information under subsection (j),' after 'under this section'.

(c) Effective Date . - The amendments made by subsections (a) and (b) shall apply with respect to information disclosed under section 304 of the Home Mortgage Disclosure Act of 1975 for any year which ends after the date of the enactment of this Act.

SEC. 933. PROHIBITION ON USE OF 'RULE OF 78's' IN CONNECTION WITH MORTGAGE REFINANCINGS AND OTHER CONSUMER LOANS.

(a) Prompt Refund of Unearned Interest Required . -

(1) In general . - If a consumer prepays in full the financed amount under any consumer credit transaction, the creditor shall promptly refund any unearned portion of the interest charge to the consumer.

(2) Exception for refund of de minimus amount. - No refund shall be required under paragraph (1) with respect to the prepayment of any consumer credit transaction if the total amount of the refund would be less than $1.

(3) Applicability to refinanced transactions and acceleration by the creditor. - This subsection shall apply with respect to any prepayment of a consumer credit transaction described in paragraph (1) without regard to the manner or the reason for the prepayment, including -

(A) any prepayment made in connection with the refinancing, consolidation, or restructuring of the transaction; and

(B) any prepayment made as a result of the acceleration of the obligation to repay the amount due with respect to the transaction.

(b) Use of 'Rule of 78's' Prohibited. - For the purpose of calculating any refund of interest required under subsection (a) for any precomputed consumer credit transaction of a term exceeding 61 months which is consummated after September 30, 1993, the creditor shall compute the refund based on a method which is at least as favorable to the consumer as the actuarial method.

(c) Statement of Prepayment Amount. -

(1) In general . - Before the end of the 5-day period beginning on the date an oral or written request is received by a creditor from a consumer for the disclosure of the amount due on any precomputed consumer credit account, the creditor or assignee
shall provide the consumer with a statement of —

(A) the amount necessary to prepay the account in full; and

(B) if the amount disclosed pursuant to subparagraph (A) includes an amount which is required to be refunded under this section with respect to such prepayment, the amount of such refund.

(2) Written statement required if request is in writing .— If the customer's request is in writing, the statement under paragraph (1) shall be in writing.

(3) 1 free annual statement.—A consumer shall be entitled to obtain 1 statement under paragraph (1) each year without charge.

(4) Additional statements subject to reasonable fees .—Any creditor may impose a reasonable fee to cover the cost of providing any statement under paragraph (1) to any consumer in addition to the 1 free annual statement required under paragraph (3) if the amount of the charge for such additional statement is disclosed to the consumer before furnishing such statement.

(d) Definitions. — For the purpose of this section —

(1) Actuarial method.—The term 'actuarial method' means the method of allocating payments made on a debt between the amount financed and the finance charge pursuant to which a payment is applied first to the accumulated finance charge and any remainder is subtracted from, or any deficiency is added to, the unpaid balance of the amount financed.

(2) Consumer, credit.—The terms 'consumer' and 'creditor' have the meanings given to such terms in section 103 of the Consumer Credit Protection Act.

(3) Creditor.—The term 'creditor'—

(A) has the meaning given to such term in section 103 of the Consumer Credit Protection Act; and

(B) includes any assignee of any creditor with respect to credit extended in connection with any consumer credit transaction and any subsequent assignee with respect to such credit.

SUBTITLE B − BANK REGULATORY CLARIFICATION PROVISIONS

SEC. 951. AMENDMENT RELATING TO ESTIMATES OF REAL ESTATE SETTLEMENT COSTS.

Section 5(d) of the Real Estate Settlement Procedures Act of 1974
(12 U.S.C. 2604(d)) is amended by striking the last sentence and inserting 'Such booklet shall be provided by delivering it or placing it in the mail not later than 3 business days after the lender receives the application, but no booklet need be provided if the lender denies the application for credit before the end of the 3-day period.'.

SEC. 952. ADJUSTABLE RATE MORTGAGE CAPS.

Section 1204(d)(2) of the Competitive Equality Banking Act of 1987 (12 U.S.C. 3806(d)(2)) is amended by striking 'any loan' and inserting 'any consumer loan'.

SEC. 953. MODIFYING SEPARATE CAPITALIZATION RULE FOR SAVINGS ASSOCIATIONS' SUBSIDIARIES ENGAGED IN ACTIVITIES NOT PERMISSIBLE FOR NATIONAL BANKS.

(a) In General . - Section 5(t)(5)(D) of the Home Owners' Loan Act (12 U.S.C. 1464(t)(5)(D)) is amended by redesignating clause (iii) as clause (ix) and by inserting after clause (ii) the following new clauses:

'(iii) Agency discretion to prescribe greater percentage . - Subject to clauses (iv), (v), and (vi), the Director may prescribe by order, with respect to a particular qualified savings association, an applicable percentage greater than that provided in clause (ii) if the Director determines, in the Director's sole discretion, that the use of the greater percentage, under the circumstances -

'(I) would not constitute an unsafe or unsound practice;

'(II) would not increase the risk to the affected deposit insurance fund; and

'(III) would not be likely to result in the association's being in an unsafe or unsound condition.

'(iv) Substantial compliance with approved capital plan . - In the case of a savings association which is subject to a plan submitted under paragraph (7)(D) of this subsection or an order issued under this subsection, a directive issued or plan approved under subsection (s), or a capital restoration plan approved or order issued under section 38 or 39 of the Federal Deposit Insurance Act, an order issued under clause (iii) with respect to the association shall be effective only so long as the association is in substantial compliance with such plan, directive, or order.

'(v) Limitation on investments taken into account . - In prescribing the amount by which an applicable percentage under
clause (iii) may exceed the applicable percentage under clause (ii) with respect to a particular qualified savings association, the Director may take into account only the sum of—

'(I) the association's investments in, and extensions of credit to, the subsidiary that were made on or before April 12, 1989; and

'(II) the association's investments in, and extensions of credit to, the subsidiary that were made after April 12, 1989, and were necessary to complete projects initiated before April 12, 1989.

'(vi) Limit . - The applicable percentage limit allowed by the Director in an order under clause (iii) shall not exceed the following limits:

<table>
<thead>
<tr>
<th>Period</th>
<th>Limit is</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prior to July 1, 1994</td>
<td>75 percent</td>
</tr>
<tr>
<td>July 1, 1994 through June 30, 1995</td>
<td>60 percent</td>
</tr>
<tr>
<td>July 1, 1995 through June 30, 1996</td>
<td>40 percent</td>
</tr>
<tr>
<td>After June 30, 1996</td>
<td>0 percent</td>
</tr>
</tbody>
</table>

'(vii) Critically undercapitalized institution . - In the case of a savings association that becomes critically undercapitalized (as defined in section 38 of the Federal Deposit Insurance Act) as determined under this subparagraph without applying clause (iii), clauses (iii) through (v) shall be applied by substituting 'Corporation' for 'Director' each place such term appears.

'(viii) Qualified savings association defined . - For purposes of clause (iii), the term 'qualified savings association' means an eligible savings association (as defined in paragraph (3)(B)) which is subject to this paragraph solely because of the real estate investments or other real estate activities of the association's subsidiary, and—

'(I) is adequately capitalized (as defined in section 38 of the Federal Deposit Insurance Act); or

'(II) is in compliance with an approved capital restoration plan meeting the requirements of section 38 of the Federal Deposit Insurance Act, and is not critically undercapitalized (as defined in such section).'

(b) Technical and Conforming Amendment . - Clause (ix) of section 5(t)(5)(D) of the Home Owners' Loan Act (12 U.S.C.
1464(t)(5)(D)) (as so redesignated by subsection (a) of this section) is amended by inserting 'or prescribed under clause (iii)' after 'clause (ii)'.

SEC. 954. REAL ESTATE APPRAISAL AMENDMENT.

Section 1112 of the Financial Institution Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3341) is amended -

(1) by striking 'Each Federal financial institutions' and inserting '(a) In General . - Each Federal financial institutions'; and

(2) by adding at the end the following new subsections:

'(b) Threshold Level. - Each Federal financial institutions regulatory agency and the Resolution Trust Corporation may establish a threshold level at or below which a certified or licensed appraiser is not required to perform appraisals in connection with federally related transactions, if such agency determines in writing that such threshold level does not represent a threat to the safety and soundness of financial institutions.

'(c) GAO Study of Appraisals in Connection With Real Estate Related Financial Transactions Below the Threshold Level . -

'(1) Study required . - At the end of the 18-month period, and the end of the 36-month period, beginning on the date of the enactment of this subsection, the Comptroller General of the United States shall conduct a study on the adequacy and quality of appraisals or evaluations conducted in connection with real estate related financial transactions below the threshold level established under subsection (b), taking into account -

'(A) the cost to any financial institution involved in any such transaction;

'(B) the possibility of losses to the Bank Insurance Fund, the Savings Association Insurance Fund, or the National Credit Union Share Insurance Fund;

'(C) the cost to any customer involved in any such transaction; and

'(D) the effect on low-income housing.

'(2) Reports to congress and the appropriate federal financial institutions regulatory agencies . - Upon completing each of the studies required under paragraph (1), the Comptroller General shall submit a report on the Comptroller General's findings and conclusions with respect to such study to the Federal financial institutions regulatory agencies, the Committee on Banking, Finance and Urban Affairs of the House of Representatives, and the Committee on Banking, Housing, and Urban Affairs of the Senate,
together with such recommendations for legislative or administrative action as the Comptroller General determines to be appropriate.'.

SEC. 955. INSIDER LENDING.

(a) Authority to Make Exceptions to Definition of Extension of Credit . - Section 22(h)(9)(D) of the Federal Reserve Act (12 U.S.C. 375b(h)(9)(D)) is amended -

(1) by striking '(D) Extension of credit . - A member bank' and inserting the following:

'(D) Extension of credit . -

'(i) In general . - A member bank'; and

(2) by adding at the end the following new clause:

'(ii) Exceptions . - The Board may, by regulation, make exceptions to clause (i) for transactions that the Board determines pose minimal risk.'.

(b) Principal Shareholder Defined . - Section 22(h)(9)(F) of the Federal Reserve Act (12 U.S.C. 375b(h)(9)(F)) is amended -

(1) by striking 'shareholder' means any person' and inserting 'shareholder' -

'(i) means any person';

(2) by striking the period at the end of clause (i) (as so redesignated by paragraph (1) of this subsection) and inserting '; and'; and

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

'(ii) does not include a company of which a member bank is a subsidiary.'.

SEC. 956. CLARIFICATION OF COMPENSATION STANDARDS.

Section 39 of the Federal Deposit Insurance Act (as added by section 132(a) of Federal Deposit Insurance Corporation Improvement Act of 1991) (12 U.S.C. 1831s) is amended -

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

'(d) Standards to be Prescribed by Regulation . -

'(1) In general . - Standards under subsections (a), (b), and (c) shall be prescribed by regulation. Such regulations may not prescribe standards that set a specific level or range of
compensation for directors, officers, or employees of insured depository institutions.

'(2) Applicability of other laws - Paragraph (1) shall not affect the authority of any appropriate Federal banking agency to restrict the level of compensation, including golden parachute payments (as defined in section 18(k)(4)), paid to any director, officer, or employee of an insured depository institution under any other provision of law.

'(3) Senior executive officers at undercapitalized institutions - Paragraph (1) shall not affect the authority of any appropriate Federal banking agency to restrict compensation paid to any senior executive officer of an undercapitalized insured depository institution pursuant to section 38.

'(4) Safety and soundness or enforcement actions - Paragraph (1) shall not be construed as affecting the authority of any appropriate Federal banking agency under any provision of this Act other than this section, or under any other provision of law, to prescribe a specific level or range of compensation for any director, officer, or employee of an insured depository institution -

'(A) to preserve the safety and soundness of the institution; or

'(B) in connection with any action under section 8 or any order issued by the agency, any agreement between the agency and the institution, or any condition imposed by the agency in connection with the agency's approval of an application or other request by the institution, which is enforceable under section 8.'; and

(2) in subsection (e)(1)(A), by striking '(a), (b), or (c)' and inserting '(a) or (b)'.

SEC. 957. TRUTH IN SAVINGS ACT AMENDMENTS.

(a) On-Premises Displays. - Section 263 of the Truth in Savings Act (12 U.S.C. 4302) is amended -

(1) in subsection (a), by striking 'subsection (b)' and inserting 'subsections (b) and (c)';

(2) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(3) by inserting after subsection (b) the following new subsection:

'(c) Disclosure Required for On-Premises Displays. -

'(1) In general. - The disclosure requirements contained in
this section shall not apply to any sign (including a rate board) disclosing a rate or rates of interest which is displayed on the premises of the depository institution if such sign contains -

'(A) the accompanying annual percentage yield; and

'(B) a statement that the consumer should request further information from an employee of the depository institution concerning the fees and terms applicable to the advertised account.

'(2) Definition. - For purposes of paragraph (1), a sign shall only be considered to be displayed on the premises of a depository institution if the sign is designed to be viewed only from the interior of the premises of the depository institution.'.

(b) Effective Date of Regulations. - Section 269(a)(2) of the Truth in Savings Act (12 U.S.C. 4308(a)(2)) is amended by striking '6 months' and inserting '9 months'.