

118TH CONGRESS
2D SESSION

H. R. 9662

To establish an independent entity within the Department of Housing and Urban Development to acquire and maintain distressed real estate to stabilize communities and increase the supply of affordable housing, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 18, 2024

Ms. OCASIO-CORTEZ (for herself, Ms. ADAMS, Ms. BALINT, Mr. BOWMAN, Ms. BUSH, Mr. CARTER of Louisiana, Mr. CASAR, Mrs. CHERFILUS-McCORMICK, Mr. FROST, Mr. GARCÍA of Illinois, Ms. GARCIA of Texas, Mr. ROBERT GARCIA of California, Mr. GOMEZ, Mr. GRIJALVA, Ms. JAYAPAL, Mr. JOHNSON of Georgia, Ms. LEE of Pennsylvania, Ms. LEE of California, Mr. MCGOVERN, Mr. MULLIN, Ms. NORTON, Ms. OMAR, Mrs. PELTOLA, Ms. PRESSLEY, Mrs. RAMIREZ, Mr. RASKIN, Ms. SCHAKOWSKY, Ms. STANSBURY, Ms. TLAIB, Mr. VARGAS, Ms. VELÁZQUEZ, Mrs. WATSON COLEMAN, Ms. WILD, Ms. CROCKETT, Mr. DAVIS of Illinois, and Ms. TOKUDA) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To establish an independent entity within the Department of Housing and Urban Development to acquire and maintain distressed real estate to stabilize communities and increase the supply of affordable housing, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Homes Act of 2024”.

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

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings and purposes.
- Sec. 3. Definitions.
- Sec. 4. Establishment of authority.
- Sec. 5. Purposes of the authority.
- Sec. 6. Powers and duties.
- Sec. 7. Requirements for social housing providers.
- Sec. 8. Labor and Buy America provisions.
- Sec. 9. Duty to serve.
- Sec. 10. Community and tenant opportunity To purchase multifamily rental properties.
- Sec. 11. Maximum contingent liability.
- Sec. 12. Authority funds.
- Sec. 13. Authorization of appropriations for Authority.
- Sec. 14. Authorization of appropriations for public housing backlog.
- Sec. 15. Repeal of Faireloth Amendment.
- Sec. 16. Miscellaneous.

6 **SEC. 2. FINDINGS AND PURPOSES.**

7 (a) FINDINGS.—Congress finds that the national pro-
8 tracted housing crisis has existed for decades and only
9 continues to worsen, with the lack of quality and afford-
10 able housing affecting all but the wealthiest households.

11 (b) PURPOSES.—The purposes of this Act are—

12 (1) to establish a robust public entity to develop
13 a stock of permanently affordable, quality, publicly
14 financed, and climate resilient housing that is shield-
15 ed from market speculation; and

16 (2) to stabilize communities and improve gen-
17 eral welfare by maintaining a housing system, as an

1 alternative to market-rate housing, that offers af-
2 fordability, fair housing choice, and quality to all
3 families that are unable to afford market rents, in-
4 cluding families in underserved communities and
5 families that have experienced historical legacies of
6 exclusion.

7 **SEC. 3. DEFINITIONS.**

8 (a) IN GENERAL.—In this Act:

9 (1) AFFORDABLE HOUSING.—The term “afford-
10 able housing” means housing that complies with the
11 standards established under section 7(c).

12 (2) AT RISK OF HOMELESSNESS.—The term
13 “at risk of homelessness” has the meaning given the
14 term in section 401 of the McKinney-Vento Home-
15 less Assistance Act (42 U.S.C. 11360).

16 (3) AUTHORITY.—The term “Authority” means
17 the Housing Development Authority established
18 under section 4(a).

19 (4) BOARD.—The term “Board” means the
20 Board of Directors of the Authority established
21 under section 4(c)(1).

22 (5) COMMUNITY LAND TRUST.—The term
23 “community land trust” means a nonprofit entity or
24 a State or local government or instrumentality there-
25 of that—

1 (A) is not sponsored by a for-profit organi-
2 zation;

3 (B) has as a primary purpose the provision
4 and maintenance of housing that provides long-
5 term affordability for low-income families and
6 moderate-income families;

7 (C) provides housing described in subpara-
8 graph (B) using a ground lease, deed covenant,
9 or other similar legally enforceable measure, as
10 determined by the Authority, that—

11 (i) keeps the housing permanently af-
12 fordable to low-income families and mod-
13 erate-income families; and

14 (ii) enables low-income families and
15 moderate-income families to purchase the
16 housing for homeownership; and

17 (D) maintains preemptive purchase options
18 to purchase the property so the housing re-
19 mains affordable to low-income families and
20 moderate-income families.

21 (6) COMMUNITY-LED DEVELOPMENT ORGANIZA-
22 TION.—The term “community-led development orga-
23 nization” means a nonprofit organization comprised
24 of or acting on behalf of individuals seeking to es-
25 tablish, develop, maintain, and reside in a resident-

1 owned multifamily housing building that includes
2 shared community amenities, whether through the
3 development of a new building or the rehabilitation
4 or conversion of an existing building.

5 (7) CONSUMER PRICE INDEX.—The term “Con-
6 sumer Price Index” means the most recent Con-
7 sumer Price Index for All Urban Consumers pub-
8 lished by the Bureau of Labor Statistics of the De-
9 partment of Labor.

10 (8) DEPARTMENT.—The term “Department”
11 means the Department of Housing and Urban De-
12 velopment.

13 (9) DISTRESSED.—The term “distressed”
14 means, with respect to an asset, that—

15 (A) the obligor thereof is subject to a
16 bankruptcy, insolvency, liquidation, or other
17 similar action or proceeding;

18 (B) the obligor thereof has failed to make
19 any payment of principal or interest with re-
20 spect to the asset when due (whether at sched-
21 uled maturity or any accelerated date of matu-
22 rity or any other date fixed for payment or pre-
23 payment thereof or otherwise) beyond any pe-
24 riod of grace provided with respect thereto;

1 (C) the asset is classified by the lender as
2 “nonperforming” pursuant to generally accept-
3 ed accounting principles; or

4 (D) the asset is in a physically distressed
5 condition, as shall be defined by the Authority.

6 (10) ELIGIBLE ENTITY.—The term “eligible en-
7 tity” means an entity described in subparagraph (A)
8 of section 6(c)(2), subject to subparagraph (B) of
9 that section.

10 (11) FAMILY.—The term “family” includes an
11 individual.

12 (12) HOMELESS.—The term “homeless” has
13 the meaning given the term in section 103 of the
14 McKinney-Vento Homeless Assistance Act (42
15 U.S.C. 11302).

16 (13) INCOME.—The term “income” has such
17 meaning as provided by the Secretary that is con-
18 sistent with regulations issued by the Secretary in
19 implementing section 3(b) of the United States
20 Housing Act of 1937 (42 U.S.C. 1437a(b)).

21 (14) INDIAN TRIBE.—The term “Indian Tribe”
22 has the meaning given the term “Indian tribe” in
23 section 4 of the Native American Housing Assist-
24 ance and Self-Determination Act of 1996 (25 U.S.C.
25 4103).

1 (15) PERMANENT AFFORDABILITY.—The term
2 “permanent affordability” means a designation for a
3 residential property, the affordability of which is
4 preserved in perpetuity through—

5 (A) a real property interest held by the
6 Authority; and

7 (B) the inclusion of a permanently afford-
8 able social housing use restriction in the deed to
9 the land and, where applicable, any ground
10 lease to the improvements on the land.

11 (16) PERMANENTLY AFFORDABLE SOCIAL
12 HOUSING; SOCIAL HOUSING.—

13 (A) IN GENERAL.—The term “permanently
14 affordable social housing” or “social housing”
15 means housing, including newly constructed, ac-
16 quired, rehabilitated, or renovated housing, that
17 meets the following requirements:

18 (i) SOCIAL OWNERSHIP.—The housing
19 is owned by the Authority or an eligible en-
20 tity.

21 (ii) PERMANENT STABILITY.—The
22 housing is—

23 (I) protected from for-profit in-
24 vestors and the speculative market;
25 and

1 (II) subject to restrictions that
2 ensure that it is never resold for ex-
3 cessive profit, as determined by the
4 Authority.

5 (iii) PERMANENT AFFORDABILITY.—
6 The housing meets the requirements of
7 paragraph (15) and, in the aggregate, is
8 permanently affordable to families at a
9 range of income levels, including extremely
10 low-income families and no-income fami-
11 lies.

12 (iv) COMMUNITY CONTROL.—The
13 housing is developed, owned, managed, and
14 operated in a way that is democratically
15 accountable to residents, the community,
16 and the public, with residents having a di-
17 rect role in management and decision-mak-
18 ing, such as through a tenant organization.

19 (v) EQUITABLE.—The housing pro-
20 motes racial and gender equity and pre-
21 vents displacement of communities of color.

22 (vi) SUSTAINABILITY.—The housing is
23 built, renovated, or rehabilitated using con-
24 struction methods and materials that—

1 (I) prioritize energy efficiency,
2 the long-term safety and health of oc-
3 cupants, and disaster resilience; and

4 (II) are guided by an evidence-
5 based approach designed to reduce
6 pollution burdens and climate vola-
7 tility.

8 (vii) HIGH QUALITY AND ACCES-
9 SIBLE.—The housing is of high quality and
10 accessible to all people regardless of age,
11 physical need, or other factors.

12 (viii) TENANT SECURITY.—The hous-
13 ing provides renter protections to resi-
14 dents.

15 (B) PUBLIC HOUSING.—The Authority
16 may provide any funding or support to public
17 housing that is necessary for the public housing
18 to meet the requirements under subparagraph
19 (A), consistent with the rules and regulations
20 that are otherwise applicable to public housing.

21 (17) PERMANENTLY AFFORDABLE SOCIAL
22 HOUSING USE RESTRICTION.—The term “perma-
23 nently affordable social housing use restriction”,
24 with respect to real property, means a use restric-
25 tion, established by the Secretary by rulemaking

1 after notice and an opportunity for public comment,
2 that ensures that the property complies with the re-
3 quirements under subparagraph (A) of the definition
4 of “permanently affordable social housing”.

5 (18) PUBLIC HOUSING.—The term “public
6 housing” means housing assisted under section 9 of
7 the United States Housing Act of 1937 (42 U.S.C.
8 1437g).

9 (19) PUBLIC HOUSING AGENCY.—The term
10 “public housing agency” has the meaning given the
11 term in section 3(b) of the United States Housing
12 Act of 1937 (42 U.S.C. 1437a(b)).

13 (20) RESIDENT-OWNED COOPERATIVE.—The
14 term “resident-owned cooperative” means a non-
15 profit entity that supports shared-equity homeown-
16 ship that—

17 (A) has as a primary purpose the provision
18 and maintenance of owner-occupied housing
19 that provides long-term affordability for low-in-
20 come families and moderate-income families;

21 (B) provides housing described in subpara-
22 graph (A) using a limited equity cooperative
23 agreement, or other similar legally enforceable
24 measure, as determined by the Authority,
25 that—

1 (i) keeps the housing permanently af-
2 fordable to low-income families and mod-
3 erate-income families; and

4 (ii) enables low-income families and
5 moderate-income families to purchase the
6 housing for homeownership; and

7 (C) maintains preemptive purchase options
8 to purchase the property so the housing re-
9 mains affordable to low-income families and
10 moderate-income families.

11 (21) SECRETARY.—The term “Secretary”, ex-
12 cept as otherwise provided, means the Secretary of
13 Housing and Urban Development.

14 (22) SHORT SALE.—The term “short sale”
15 means a sale of a residential real property that is
16 subject to a mortgage, deed or trust, or other secu-
17 rity interest that secures a residential mortgage loan
18 that—

19 (A) will result in proceeds in an amount
20 that is less than the remaining amount due
21 under the mortgage loan; and

22 (B) requires authorization by any
23 securitization vehicle or other investment vehicle
24 or holder of the mortgage loan, or the servicer
25 acting on behalf of such a vehicle or holder.

1 (23) SUPPORTIVE SERVICES.—The term “sup-
2 portive services” means services that address the
3 needs of persons served by a project, including—

4 (A) provision of tenant organizing tech-
5 nical assistance;

6 (B) establishment and operation of a child
7 care services program;

8 (C) establishment and operation of an em-
9 ployment assistance program;

10 (D) provision of outpatient health services,
11 food, and case management;

12 (E) provision of mental health services and
13 victim services;

14 (F) provision of assistance in obtaining
15 other Federal, State, and local assistance avail-
16 able for residents of the project, including men-
17 tal health benefits, employment counseling, and
18 medical assistance;

19 (G) provision of transportation services
20 that facilitate the ability of an individual to ob-
21 tain and maintain employment and access
22 health care;

23 (H) provision of services for older adults;

24 (I) security services; and

1 (J) other services necessary to maintain
2 housing and sustain a quality housing commu-
3 nity.

4 (24) TENANT ORGANIZATION.—The term “ten-
5 ant organization”, with respect to rental housing
6 means a tenant-led organization—

7 (A) that seeks to—

8 (i) promote the collective interests and
9 rights of the tenants;

10 (ii) improve housing conditions;

11 (iii) build renter authority; and

12 (iv) advocate for policy changes for
13 the benefit of tenants; and

14 (B) which may be organized with respect
15 to—

16 (i) housing sharing the same landlord
17 or building; or

18 (ii) housing having different landlords
19 or buildings.

20 (25) TRIBALLY DESIGNATED HOUSING ENTI-
21 TY.—The term “tribally designated housing entity”
22 has the meaning given the term in section 4 of the
23 Native American Housing Assistance and Self-De-
24 termination Act of 1996 (25 U.S.C. 4103).

1 (26) UNDERSERVED COMMUNITY.—The term
2 “underserved community” means a population shar-
3 ing a particular characteristic, or a geographic com-
4 munity, that—

5 (A) has been systematically denied a full
6 opportunity to participate in aspects of eco-
7 nomic, social, and civic life; and

8 (B) may include—

9 (i) Black, Latino, and Indigenous and
10 Native American persons, Asian Americans
11 and Pacific Islanders, and other persons of
12 color;

13 (ii) members of religious minorities;

14 (iii) lesbian, gay, bisexual,
15 transgender, and queer (commonly known
16 as “LGBTQ+”) persons;

17 (iv) persons with disabilities;

18 (v) persons who live in rural areas;

19 and

20 (vi) persons otherwise adversely af-
21 fected by persistent poverty or inequality.

22 (b) INCOME LEVELS.—

23 (1) IN GENERAL.—In this Act, subject to para-
24 graph (2)—

1 (A) the term “moderate-income family”
2 means a family that satisfies the definition of
3 the term “persons of moderate income” in sec-
4 tion 102(a) of the Housing and Community De-
5 velopment Act of 1974 (42 U.S.C. 5302(a));

6 (B) the term “low-income family” means a
7 family that satisfies the definition of the term
8 “persons of low income” in section 102(a) of
9 the Housing and Community Development Act
10 of 1974 (42 U.S.C. 5302(a)); and

11 (C) the term “extremely low-income fam-
12 ily” means a family that satisfies the definition
13 of the term “extremely low-income families” in
14 section 3(b)(2) of the United States Housing
15 Act of 1937 (42 U.S.C. 1437a(b)(2)).

16 (2) AUTHORITY OF SECRETARY TO ESTABLISH
17 VARIATIONS.—For purposes of paragraph (1) and
18 subject to the considerations described in section
19 7(c)(4), the Secretary may establish a percentage of
20 median income for a term defined in paragraph (1)
21 of this subsection for any area that is higher or
22 lower than the percentage set forth in the applicable
23 provision of law referenced in such paragraph (1) if
24 the Secretary finds the variation to be necessary be-

1 cause of unusually high or low family incomes or
2 cost of living in the area.

3 **SEC. 4. ESTABLISHMENT OF AUTHORITY.**

4 (a) ESTABLISHMENT.—

5 (1) IN GENERAL.—There is established within
6 the Department of Housing and Urban Development
7 an independent authority to be known as the “Hous-
8 ing Development Authority”, to carry out the pur-
9 poses set forth in section 5.

10 (2) APPLICABILITY OF OTHER LAWS.—Except
11 as otherwise provided expressly by law, all Federal
12 laws concerning public or Federal contracts, prop-
13 erty, works, officers, employees, budgets, or funds,
14 including chapters 5 and 7 of title 5, United States
15 Code, shall apply to the exercise of the powers of the
16 Authority.

17 (3) AUTONOMY.—Notwithstanding any other
18 provision of law, including the Department of Hous-
19 ing and Urban Development Act of 1965 (42 U.S.C.
20 3531 et seq.), the Secretary may not—

21 (A) intervene in any matter or proceeding
22 before the Authority; or

23 (B) merge or consolidate the Authority, or
24 any of the functions or responsibilities of the

1 Authority, with any division or office of the De-
2 partment.

3 (4) RULES AND ORDERS.—No action of the Au-
4 thority shall be subject to approval or review by the
5 Secretary, and the Secretary may not delay or pre-
6 vent any action by the Authority.

7 (b) OWNERSHIP.—Any real property acquired by the
8 Authority shall be acquired in perpetuity with the author-
9 ity to convey properties to eligible entities.

10 (c) BOARD.—

11 (1) IN GENERAL.—The Authority shall be gov-
12 erned by a Board of Directors.

13 (2) MEMBERSHIP.—

14 (A) IN GENERAL.—The Board shall consist
15 of 15 members appointed by the President, by
16 and with the advice and consent of the Senate,
17 one of whom the President shall designate as
18 chairperson.

19 (B) TYPES OF APPOINTMENTS.—Of the 15
20 members of the Board—

21 (i) 9 shall be appointed under sub-
22 paragraph (C); and

23 (ii) 6 shall be appointed under sub-
24 paragraph (D).

25 (C) STAKEHOLDER MEMBERS.—

1 (i) IN GENERAL.—Of the 9 members
2 of the Board appointed under this sub-
3 paragraph (referred to in this subsection
4 as “stakeholder members”)—

5 (I) 2 shall be appointed from
6 among the officers of Federal agencies
7 who have experience and expertise
8 with affordable and low-income hous-
9 ing and community development and
10 financing, but at no time may more
11 than 1 member be from any single
12 such agency;

13 (II) 2 shall represent labor orga-
14 nizations, as that term is defined in
15 section 2 of the National Labor Rela-
16 tions Act (29 U.S.C. 152), of which
17 building and construction employees
18 are members;

19 (III) 2 shall have expertise in
20 housing finance, housing development,
21 or housing management;

22 (IV) 2 shall have technical exper-
23 tise in architecture, affordable housing
24 construction and financing, urban
25 planning, or engineering; and

1 (V) 1 shall be an expert in fair
2 housing and civil rights.

3 (ii) ENVIRONMENTAL EXPERTISE; DI-
4 VERSE EXPERIENCE.—In appointing mem-
5 bers under clause (i), the President—

6 (I) shall appoint not less than 1
7 individual who has extensive expertise
8 in climate, environmental justice, or
9 sustainable building; and

10 (II) shall appoint a mix of indi-
11 viduals with experience in rural,
12 urban, and Native communities.

13 (D) RESIDENT MEMBERS.—

14 (i) IN GENERAL.—The 6 members of
15 the Board appointed under this subpara-
16 graph (referred to in this subsection as
17 “resident Board members”) shall be resi-
18 dents of public housing or permanently af-
19 fordable social housing.

20 (ii) NOTICE OF EXPIRATION OF
21 TERM.—The Authority shall publish notice
22 of the expiration of the term of a resident
23 Board member not later than 90 days be-
24 fore the date of the expiration.

1 (iii) VACANCIES.—If a vacancy occurs
2 during the term of a resident Board mem-
3 ber—

4 (I) the Authority shall publish
5 notice of the vacancy not later than
6 10 business days after the vacancy oc-
7 curs; and

8 (II) the President shall appoint
9 the successor resident Board member
10 within a reasonable time after the ex-
11 piration of 60 days following the pro-
12 vision of notice under subclause (I).

13 (3) TERMS.—

14 (A) IN GENERAL.—A member of the Board
15 shall serve for a term of 4 years or until the
16 member’s successor has been appointed, except
17 as provided in subparagraphs (B) and (C).

18 (B) TERMS OF INITIAL APPOINTEES.—As
19 designated by the President at the time of ap-
20 pointment—

21 (i) of the stakeholder members first
22 appointed in accordance with paragraph
23 (2)(C)—

24 (I) 4 shall be appointed for terms
25 of 2 years each; and

1 (II) 5 shall be appointed for
2 terms of 4 years each; and

3 (ii) of the resident members first ap-
4 pointed in accordance with paragraph
5 (2)(D)—

6 (I) 3 shall be appointed for terms
7 of 4 years each; and

8 (II) 3 shall be appointed for
9 terms of 6 years each.

10 (C) VACANCY.—

11 (i) APPOINTMENT FOR REMAINDER OF
12 TERM.—Any member of the Board ap-
13 pointed to fill a vacancy occurring before
14 the expiration of the term for which the
15 member's predecessor was appointed shall
16 be appointed only for the remainder of that
17 term.

18 (ii) SERVICE AFTER EXPIRATION OF
19 TERM.—A member of the Board may serve
20 after the expiration of that member's term
21 until a successor has taken office.

22 (iii) FILLING OF VACANCIES.—A va-
23 cancy in the Board shall be filled in the
24 manner in which the original appointment
25 was made.

1 (4) PROHIBITION.—No part of any earnings of
2 the Authority shall inure to the benefit of any mem-
3 ber of the Board.

4 (5) OPEN MEETINGS.—The proceedings of the
5 Board shall be open to the public.

6 (6) COMPREHENSIVE TRAINING PROGRAM FOR
7 BOARD MEMBERS; TECHNICAL ASSISTANCE TRAIN-
8 ING FOR RESIDENT BOARD MEMBERS.—

9 (A) REQUIREMENT.—Each member of the
10 Board shall complete a training program, as de-
11 veloped by the Authority—

12 (i) not later than 90 days after being
13 appointed or reappointed to the Board;
14 and

15 (ii) not less frequently than once every
16 2 years thereafter.

17 (B) ESTABLISHMENT OF PROGRAM.—The
18 Authority shall establish and implement a com-
19 prehensive training program for members of the
20 Board on the proper management of the Au-
21 thority, including applicable laws and topics re-
22 lating to—

23 (i) open meetings;

24 (ii) public records;

25 (iii) conflicts of interest;

- 1 (iv) uniform procurement;
- 2 (v) housing finance;
- 3 (vi) fraud prevention;
- 4 (vii) fiduciary responsibilities;
- 5 (viii) fair housing;
- 6 (ix) tenant selection, occupancy, and
- 7 participation policies;
- 8 (x) prohibiting discrimination in hous-
- 9 ing; and
- 10 (xi) best practices relating to the gen-
- 11 eral inspection, maintenance, and repair of
- 12 dwelling units and capital improvements in
- 13 public housing and other social housing.

14 (C) TECHNICAL ASSISTANCE.—

15 (i) TRAINING FOR RESIDENT BOARD

16 MEMBERS.—The Authority shall provide

17 independent technical assistance training

18 to resident Board members with the goal

19 of enabling resident Board members and

20 members of tenant organizations to partici-

21 pate fully in the oversight of the

22 Authority's operation and capital planning.

23 (ii) TRAINING FOR RESIDENTS GEN-

24 ERALLY.—The Authority shall permit resi-

25 dents of public housing and social housing

1 who are not members of the Board to at-
2 tend technical assistance training provided
3 under clause (i).

4 (iii) DEVELOPMENT OF TRAINING
5 PROGRAM.—The Authority shall develop
6 the training program provided under
7 clause (i) in consultation with—

8 (I) the Secretary;

9 (II) government officials;

10 (III) residents of public housing
11 and social housing; and

12 (IV) public housing and social
13 housing advocacy and industry profes-
14 sional organizations.

15 (d) STOCKS, BONDS, AND CERTIFICATES.—

16 (1) IN GENERAL.—The Authority may issue
17 bonds guaranteed by the United States to carry out
18 the purposes of this Act, which bonds shall be legal
19 investments for—

20 (A) the deposits and the income derived
21 therefrom of savings banks;

22 (B) the trust funds of trust companies;

23 (C) the capital and other funds of insur-
24 ance companies; and

1 (D) funds over which the Department of
2 the Treasury has exclusive control.

3 (2) NEGOTIABLE INSTRUMENTS.—The bonds,
4 notes, and certificates of indebtedness under this
5 subsection shall constitute negotiable instruments
6 for all purposes.

7 (3) OTHER CHARACTERISTICS.—The bonds,
8 notes, and certificates of indebtedness under this
9 subsection—

10 (A) may be payable from the income of the
11 Authority or constitute a general obligation
12 thereof;

13 (B) may be sold at not less than par, at
14 public or private sale;

15 (C) may contain any covenants, terms, and
16 conditions, as determined by the Authority, that
17 are not inconsistent with law; and

18 (D) may be issued with or without the cor-
19 porate seal.

20 (e) BYLAWS, RULES, AND REGULATIONS.—The
21 Board may make such bylaws, rules, and regulations, not
22 inconsistent with this Act, as may be necessary for the
23 proper conduct of the affairs of the Authority, including
24 provisions for—

25 (1) compensation of members of the Board; and

1 (2) the removal, resignation, or suspension of
2 members of the Board.

3 (f) OFFICERS AND EMPLOYEES.—

4 (1) IN GENERAL.—The Authority may select,
5 employ, and fix the compensation of such officers,
6 employees, attorneys, or agents as shall be necessary
7 for the performance of the duties of the Authority
8 under this Act, without regard to the provisions of
9 other laws applicable to the employment or com-
10 pensation of officers, employees, attorneys, or agents
11 of the United States, notwithstanding section
12 4(a)(2).

13 (2) COMPENSATION.—No officer, employee, at-
14 torney, or agent employed by the Authority shall be
15 paid compensation at a rate in excess of the rate
16 provided for the members of the Board.

17 (g) SALARIES AND EXPENSES.—The Authority—

18 (1) shall pay such proportion of the salary and
19 expenses of the members of the Board, including
20 resident Board members, and of its officers and em-
21 ployees as the Board may determine to be equitable,
22 including childcare, transportation, and any other
23 necessary accommodations; and

24 (2) may operate out of the physical locations of
25 each of the Federal Home Loan Banks, upon mak-

1 ing reasonable compensation to the Federal Home
2 Loan Bank, as determined by the Board.

3 (h) OFFICES.—The Board may establish a principal
4 office and regional offices of the Authority as the Board
5 considers appropriate to carry out the responsibilities of
6 the Authority.

7 (i) USE OF MAILS.—The Authority may use the
8 United States mails in the same manner and under the
9 same conditions as other departments and agencies of the
10 United States.

11 (j) OPERATING ASSISTANCE.—The Authority may
12 provide operating assistance to its properties and collect
13 surplus cash, as defined by the Secretary.

14 (k) TECHNOLOGY INFRASTRUCTURE.—

15 (1) IN GENERAL.—In the acquisition and devel-
16 opment process of the Authority’s technology infra-
17 structure, the Authority shall—

18 (A) focus on the needs of users and take
19 into consideration, to the extent practicable—

20 (i) the guidelines outlined in the U.S.
21 Web Design Standards maintained by the
22 General Services Administration and the
23 Digital Services Playbook and TechFAR
24 Handbook for Procuring Digital Services

1 Using Agile Processes of the U.S. Digital
2 Service; and

3 (ii) the relevant successor documents
4 or recommendations of the guidelines de-
5 scribed in clause (i);

6 (B) use modern, relevant privacy- and se-
7 curity-enhancing technology; and

8 (C) plan for the ongoing operations and
9 maintenance of its systems and products to en-
10 sure their ongoing capability.

11 (2) 21ST CENTURY INTEGRATED DIGITAL EXPE-
12 RIENCE ACT.—The 21st Century Integrated Digital
13 Experience Act (44 U.S.C. 3501 note; Public Law
14 115–336) shall apply to the Authority in the same
15 manner as that Act applies to an Executive agency,
16 except that—

17 (A) any reference in that Act to the head
18 of an Executive agency shall be deemed to be
19 a reference to the Board; and

20 (B) any reference in that Act to the Chief
21 Information Officer of an Executive agency
22 shall be deemed to be a reference to an equiva-
23 lent employee of the Authority.

24 **SEC. 5. PURPOSES OF THE AUTHORITY.**

25 The purposes of the Authority shall be to—

1 (1) acquire real estate, public land, corporate-
2 owned vacant properties, including vacant, blighted,
3 or underutilized developments, and publicly assisted
4 or privately owned properties with liens, fees, or tax
5 violations for the purpose of—

6 (A) providing adequate housing for ex-
7 tremely low-income families, low-income fami-
8 lies, and moderate-income families;

9 (B) preventing involuntary displacement of
10 families; and

11 (C) stabilizing communities, including un-
12 derserved communities that have experienced
13 historical legacies of exclusion;

14 (2) operate and maintain the physical and func-
15 tional conditions of acquired properties to—

16 (A) preserve, modernize, and enhance the
17 value, affordability, habitability, climate resil-
18 iency, energy efficiency, environmental sustain-
19 ability, and residential and community amen-
20 ities for current and future occupants of the
21 real property; and

22 (B) contribute to the economic and social
23 conditions of the surrounding community;

1 (3) rehabilitate, modernize, finance, and con-
2 struct real property to carry out the purposes of this
3 Act described in section 2(b);

4 (4) rehabilitate, modernize, finance, and con-
5 struct real property so as to comply with such stand-
6 ards as the Authority shall require to encourage
7 maximum environmental performance, including—

8 (A) using low-embodied carbon construc-
9 tion materials, as determined using a Type III
10 Environmental Product Declaration (or a suc-
11 cessor document) and in coordination with the
12 Administrator of the Environmental Protection
13 Agency;

14 (B) encouraging zero indoor or outdoor air
15 emissions;

16 (C) ensuring accessibility of the property
17 in accordance with—

18 (i) section 504 of the Rehabilitation
19 Act of 1973 (29 U.S.C. 794);

20 (ii) titles II and III of the Americans
21 with Disabilities Act of 1990 (42 U.S.C.
22 12131 et seq.; 42 U.S.C. 12181 et seq.);

23 (iii) the Architectural Barriers Act of
24 1968 (42 U.S.C. 4151 et seq.); and

1 (iv) the requirements under section
2 804(f)(3)(C) of the Fair Housing Act (42
3 U.S.C. 3604(f)(3)(C)) relating to design
4 and construction;

5 (D) reflecting the highest international ar-
6 chitectural standards and the architectural
7 standards of the neighborhood and the commu-
8 nity in which the real property is situated; and

9 (E) employing innovative design principles
10 and materials to advance public safety, fire
11 safety and social infrastructure;

12 (5) advance the streamlining of construction
13 procedures and development processes, which shall
14 include engaging with jurisdictions on permitting
15 and zoning reform, within and across all levels of
16 government to reduce project time and cost burden,
17 while maintaining high-quality standards;

18 (6) establish and use model policies and proce-
19 dures for engaging community members, including
20 community members at highest risk of housing dis-
21 placement and unaffordability, and local govern-
22 ments to ensure projects leverage community exper-
23 tise and responsive feedback to accurately and equi-
24 tably assess and address local or regional needs for
25 additional housing;

1 (7) convey acquired real property to eligible en-
2 tities that will use it to guarantee affordable, habit-
3 able, and environmentally sustainable housing to ex-
4 tremely low-income families, low-income families,
5 and moderate-income families;

6 (8) finance and support the transfer of acquired
7 property to eligible entities, which may include tech-
8 nical assistance, administrative support, or ongoing
9 operational support;

10 (9) provide an appropriate and expedient man-
11 ner for owners of distressed properties to transfer
12 ownership of those properties to the Authority;

13 (10) stabilize neighborhoods by reducing—

14 (A) foreclosures; and

15 (B) blighted or neglected real property;

16 (11) across the portfolio of the Authority's
17 properties, encourage a range of housing types that
18 accommodate homeless families, families at risk of
19 homelessness, and extremely low-income families,
20 low-income families, and moderate-income families
21 unable to afford market rents;

22 (12) promote intentional placement of housing
23 in a balance of neighborhoods affording future resi-
24 dents choice in where they live, which may include
25 proximity to work, transit, childcare, education,

1 healthcare, access to food, and culturally relevant
2 community resources;

3 (13) ensure that, within any real property—

4 (A) the quality of comparable dwelling
5 units does not materially differ between units at
6 various price levels;

7 (B) access to services and facilities does
8 not materially differ between units at various
9 price levels; and

10 (C) units at various price levels are not—

11 (i) physically located apart from one
12 another; or

13 (ii) outwardly identifiable according to
14 affordability level;

15 (14) establish dignified, accessible, and stream-
16 lined processes for residents that minimize informa-
17 tion collection burden, ensure privacy, and reduce
18 barriers to accessing and maintaining affordable
19 housing;

20 (15) coordinate with the Secretary of Health
21 and Human Services, the Secretary of Agriculture,
22 and the Secretary of Education to facilitate collabo-
23 rative or co-located supportive service programs,
24 which may include—

1 (A) childcare and early childhood edu-
2 cation;

3 (B) out-of-school time programs;

4 (C) food and nutrition programs;

5 (D) health care programs;

6 (E) programs for older adults; and

7 (F) other programs;

8 (16) acquire housing that enables the Authority
9 to assist people who wish to voluntarily relocate out
10 of areas at high risk for extreme weather and into
11 safer, affordable housing;

12 (17) in areas affected by a natural disaster or
13 emergency declaration, acquire housing and assist
14 with relocation and the provision of safe, affordable
15 housing;

16 (18) encourage public land banking for perma-
17 nently affordable social housing;

18 (19) preserve and improve existing public hous-
19 ing developments and affordable housing stock;

20 (20) provide relief to mortgage borrowers experi-
21 encing risk of foreclosure and preserve homeownership
22 in times of economic distress or market insta-
23 bility; and

24 (21) affirmatively further fair housing by over-
25 coming patterns of segregation, eliminating inequi-

1 ties in access to housing and related community as-
2 sets, and fostering inclusive communities free from
3 barriers that restrict access to opportunity based on
4 protected characteristics.

5 **SEC. 6. POWERS AND DUTIES.**

6 (a) ACQUISITION AND PURCHASE.—

7 (1) IN GENERAL.—The Authority may acquire
8 or purchase any real estate property for use as social
9 housing through any legal means, including as pro-
10 vided in this subsection.

11 (2) RIGHTS OF FIRST NEGOTIATION, OFFER,
12 AND REFUSAL.—

13 (A) IN GENERAL.—Subject to any applica-
14 ble contract in effect on the date of enactment
15 of this Act, and subject to the right of first re-
16 fusal allowed by section 42(i)(7) of the Internal
17 Revenue Code of 1986, the owner of any real
18 property provided assistance by the Depart-
19 ment, including public housing units and land
20 subject to demolition, disposition, or conversion,
21 shall afford the Authority a right of first nego-
22 tiation, first offer, and first refusal to purchase,
23 acquire, or otherwise receive the real property
24 at a price that does not exceed the sum of—

1 (i) the amount of outstanding indebt-
2 edness secured by the real property; and

3 (ii) any associated amount of Federal,
4 State, or local tax or other contractual li-
5 ability projected to be imposed as a result
6 of the sale, disposition, transfer, or other
7 conveyance of the real property to the Au-
8 thority under this subsection.

9 (B) RELOCATION.—Relocation of a house-
10 hold due to any acquisition, rehabilitation, or
11 demolition under this section of any property
12 assisted by the Department shall be subject to
13 the Uniform Relocation Assistance and Real
14 Property Acquisition Policies Act of 1970 (42
15 U.S.C. 4601 et seq.) and part 24 of title 49,
16 Code of Federal Regulations, or any successor
17 regulation.

18 (3) EMINENT DOMAIN.—

19 (A) POWER.—The Authority may acquire
20 properties for the purposes described in section
21 5 by the exercise of the right of eminent do-
22 main in a court of competent jurisdiction.

23 (B) SCOPE OF POWER.—The Authority—

24 (i) shall use the eminent domain
25 power of the Authority—

1 (I) in a manner consistent with
2 the purposes described in section 5;
3 and

4 (II) to preserve and create social
5 housing; and

6 (ii) may use the eminent domain
7 power of the Authority—

8 (I) if residents of federally as-
9 sisted housing form a tenant organi-
10 zation and petition the Authority to
11 acquire the property;

12 (II) if a State or local govern-
13 ment is seeking to block the develop-
14 ment of affordable housing (including
15 a project not already supported by the
16 Authority); or

17 (III) to support transit-oriented
18 development.

19 (C) PROHIBITED USES.—The Authority
20 may not use the eminent domain power of the
21 Authority—

22 (i) for widespread displacement of in-
23 dividuals or families;

24 (ii) for the destruction of commu-
25 nities;

1 (iii) in a manner that is targeted on
2 the basis of any protected characteristic; or

3 (iv) for the development of a highway
4 or other similar infrastructure project that
5 is ancillary to or not required for the pres-
6 ervation or creation of affordable housing.

7 (D) ENGAGEMENT.—When using the emi-
8 nent domain power, the Authority shall—

9 (i) meaningfully engage with commu-
10 nities affected by the use of the eminent
11 domain power;

12 (ii) enter into community benefit
13 agreements to ensure displacement through
14 the use of the eminent domain power is
15 minimized; and

16 (iii) provide reasonable alternatives
17 for any individuals displaced or potentially
18 harmed by the use of the eminent domain
19 power.

20 (4) RECEIVERSHIP.—The Authority may, not-
21 withstanding any other provision of law, take over as
22 receiver for residential real estate properties, if ap-
23 pointed by the court or official authorized under law
24 to appoint a receiver for a financial institution, pub-
25 lic housing agency, or other entity, to ensure mainte-

1 nance of quality for the benefit of the inhabitants
2 and the community, including undertaking mainte-
3 nance and renovation activities necessary to main-
4 tain or achieve compliance with applicable building,
5 safety, health, and habitability codes and require-
6 ments.

7 (b) OPERATION AND MANAGEMENT.—The Authority
8 may—

9 (1) hold any real property acquired under sub-
10 section (a) for the purpose of maintaining or in-
11 creasing social housing stock;

12 (2) operate real property described in para-
13 graph (1) as rental property and collect income; and

14 (3) update and improve real property described
15 in paragraph (1) to maintain quality and conditions,
16 which may include actions to retrofit and update the
17 real property to be energy efficient, low-carbon, safe,
18 healthy, climate-resilient, and accessible, including
19 retrofits and updates for—

20 (A) energy efficiency, including—

21 (i) installing energy efficient windows;

22 (ii) super-insulating roofs and exterior
23 walls;

24 (iii) electrifying water heating;

1 (iv) installing electric heat pumps for
2 heating or air conditioning; and

3 (v) increasing the airtightness of
4 building envelopes, heat recovery systems,
5 and ventilation systems;

6 (B) remediation to—

7 (i) eliminate any mold, asbestos, lead-
8 based paint, lead-based paint hazards, lead
9 pipes, radon, or other toxins or contami-
10 nants in the real property or otherwise af-
11 fecting residents of the real property; and

12 (ii) utilize least toxic building mate-
13 rials;

14 (C) in-unit efficiency upgrades, including
15 installing energy efficient insulation and effi-
16 cient and all-electric appliances;

17 (D) providing drinking water, including re-
18 placing pipes and ensuring compliance with the
19 Safe Drinking Water Act (42 U.S.C. 300f et
20 seq.) and other applicable standards of the En-
21 vironmental Protection Agency;

22 (E) energy systems, including installing re-
23 newable energy rooftops, renewable energy gen-
24 eration, and photovoltaic glass windows, pur-

1 chasing clean energy grid supply in bulk, and
2 investing in community-scale energy systems;

3 (F) emergency response, including install-
4 ing battery storage for backup and rigid foam
5 wall insulation in hurricane and earthquake-
6 prone areas to create shear walls and resistance
7 to structural damage from walls tilting or fall-
8 ing during high winds or earthquakes;

9 (G) transportation, including providing
10 dedicated infrastructure for transportation by
11 bicycle, electric bicycle, micromobility, or elec-
12 tric vehicles, including charging stations; and

13 (H) otherwise meeting minimum property
14 standards established by the Authority or the
15 Secretary.

16 (c) SUPPORT TO ELIGIBLE ENTITIES.—

17 (1) IN GENERAL.—The Authority—

18 (A) may convey any real estate property
19 owned or held by the Authority to an eligible
20 entity under paragraph (2) for use as afford-
21 able housing under section 7(c);

22 (B) may not convey real property that is
23 uninhabitable under this subsection unless the
24 Authority has—

1 (i) taken any actions necessary to
2 bring the real property into compliance
3 with applicable building, safety, health,
4 and habitability codes and requirements; or
5 (ii) entered into such agreements with
6 the conveyee sufficient to ensure that any
7 actions necessary to bring the real prop-
8 erty into compliance with applicable build-
9 ing, safety, health, and habitability codes
10 and requirements will be taken before the
11 property is occupied;

12 (C) finance or assist in financing the ac-
13 quisition of residential real estate properties by
14 eligible entities under paragraph (2) for use as
15 affordable housing;

16 (D) contract directly with any eligible enti-
17 ty for the purpose of developing and managing
18 an affordable housing project involving the pur-
19 chase or acquisition of the right to use com-
20 pleted or remodeled dwelling units, including
21 condominium units, individual buildings that
22 are part of a larger development, or a portion
23 of the units in a multifamily development, or
24 the construction of new buildings, except that—

1 (i) the project shall be subject to rules
2 and regulations promulgated by the Au-
3 thority, which shall include a procedure for
4 providing public notice of the availability of
5 funding and a ranking of priority for
6 projects according to criteria for selection;

7 (ii) the project shall seek to reason-
8 ably comply with any applicable laws, ordi-
9 nances, and regulations of the State and
10 political subdivision thereof in which the
11 project is located, relating to the construc-
12 tion and repair of buildings, zoning, and
13 the protection of public health; and

14 (iii) the project budget may include
15 capital funds to establish spaces for sup-
16 portive services and funds to provide such
17 services.

18 (2) ELIGIBLE ENTITIES.—

19 (A) IN GENERAL.—For purposes of con-
20 veyance of assets under this subsection, the fol-
21 lowing entities shall be eligible entities:

22 (i) A mission-driven nonprofit organi-
23 zation that—

24 (I) has as one of its primary pur-
25 poses—

1 (aa) the provision of housing
2 that is affordable to low-income
3 families and moderate-income
4 families; or

5 (bb) the provision of evi-
6 dence-based supportive services,
7 shelter, or housing assistance for
8 homeless persons or families or
9 those at risk of homelessness; or

10 (II) is otherwise considered by
11 the Authority as a suitable purchaser.

12 (ii) A tenant organization, resident-
13 owned cooperative, or community-led devel-
14 opment organization.

15 (iii) A public housing agency.

16 (iv) A State, local, or Tribal govern-
17 mental agency or other instrumentality.

18 (v) A community land trust.

19 (vi) Such other entities considered by
20 the Authority as suitable conveyees.

21 (B) INELIGIBLE ENTITIES.—

22 (i) IN GENERAL.—The Authority shall
23 establish standards for excluding entities
24 from eligibility under subparagraph (A) as
25 appropriate to ensure the preservation and

1 permanent affordability of housing and
2 protection of residents.

3 (ii) MAINTENANCE OF NONPROFIT
4 ELIGIBILITY.—The Authority shall estab-
5 lish procedures to ensure that any eligible
6 entity that is a nonprofit organization, and
7 to which a real property is conveyed under
8 this subsection, maintains its nonprofit
9 status under section 501(c)(3) of the In-
10 ternal Revenue Code of 1986.

11 (C) USE RESTRICTIONS.—A conveyance
12 under this subsection shall all be accompanied
13 by a permanently affordable social housing use
14 restriction.

15 (D) REQUIREMENT.—An eligible entity
16 may receive conveyance of a real property or
17 mortgage under this subsection only if the eligi-
18 ble entity enters into such binding agreements
19 as the Authority considers necessary to ensure
20 that the property involved—

21 (i) is used as permanently affordable
22 housing; and

23 (ii) cannot be resold, sold, transferred,
24 or assigned into the private market.

25 (E) REVERSIONARY INTEREST.—

1 (i) IN GENERAL.—The Authority shall
2 hold a reversionary interest in each real
3 property the Authority conveys to an eligi-
4 ble entity under this subsection, with the
5 power to reclaim a real property if the eli-
6 gible entity is found to have violated the
7 permanently affordable social housing use
8 restriction.

9 (ii) COMPENSATION.—If the Authority
10 exercises the reversionary interest under
11 clause (i) on a real property, the Authority
12 shall, at the time the Authority exercises
13 the reversionary interest, compensate each
14 stakeholder who holds limited equity in the
15 real property.

16 (iii) EXCEPTION FOR PUBLIC HOUS-
17 ING.—Clause (i) shall not apply to a real
18 property that the Authority conveys to an
19 eligible entity under this subsection for use
20 as public housing.

21 (F) LIMITED EQUITY.—A resident of a
22 real property acquired under this subsection by
23 an eligible entity may purchase limited equity in
24 the real property, at the discretion of the eligi-
25 ble entity.

1 (G) LIMITS ON PROFIT.—An eligible entity
2 or stakeholder claiming limited equity in a real
3 property conveyed by the Authority under this
4 subsection shall limit the sum of profit that
5 may be taken on leasehold interests and any
6 shares of stock, equity, or other financial inter-
7 est in the property to a rate of 2 percent per
8 year, compounded annually and adjusted for in-
9 flation.

10 (d) FINANCING.—

11 (1) IN GENERAL.—The Authority may issue,
12 purchase, acquire, hold, or service a mortgage on
13 any real estate property.

14 (2) DISTRESSED MORTGAGES.—The Authority
15 may seek to recoup any losses incurred on a dis-
16 tressed mortgage acquired under paragraph (1) from
17 the responsible party if the Authority determines,
18 not later than 5 years after acquisition, that the
19 mortgage fell into distress due to—

20 (A) unfair or abusive terms or practices;

21 (B) fraud or deception; or

22 (C) equity stripping or other such actions
23 taken by an individual who constructively owns
24 the real property or exercises control over the
25 real property.

1 (3) FINANCING TENANT PURCHASES.—The Au-
2 thority shall provide technical assistance and financ-
3 ing to support the purchase of rental properties by
4 tenant organizations and community land trusts, re-
5 gardless of incorporation status, under section 7 and
6 otherwise, which may include financing such repairs
7 and improvements as may be necessary to comply
8 with subsection (c)(1)(B)(ii) of this section.

9 (e) CLEARINGHOUSE.—To facilitate the exercise of
10 the powers under subsections (a) through (d), the Author-
11 ity shall establish a clearinghouse—

12 (1) for the Authority to provide notice of, and
13 to market, in accordance with the requirements of
14 this Act, real estate assets held by the Authority;

15 (2) for owners of distressed real estate assets to
16 provide notice of the availability of, and to market,
17 such assets to the Authority; and

18 (3) for public availability of notices provided to
19 the Authority under section 10.

20 (f) RULEMAKING.—The Authority may promulgate
21 any regulations necessary to carry out the powers, duties,
22 and functions of the Authority.

23 (g) ANNUAL REPORT TO CONGRESS.—The Authority
24 shall annually provide a report to Congress evaluating the
25 effectiveness of the Authority's actions.

1 (h) PRESERVATION OF AFFORDABILITY.—The Au-
2 thority may monitor the affordability of homeownership
3 and adopt internal policies or recommend congressional
4 action, as needed, to preserve affordability.

5 **SEC. 7. REQUIREMENTS FOR SOCIAL HOUSING PROVIDERS.**

6 (a) DEFINITION.—In this section, the term “social
7 housing provider” means—

8 (1) the Authority acting pursuant to section
9 6(b)(2); and

10 (2) an eligible entity, with respect to real prop-
11 erty acquired under section 6(c)(1)(A).

12 (b) GENERAL APPLICABILITY.—A social housing pro-
13 vider that makes social housing available for rent shall
14 comply with the requirements of this section.

15 (c) ACCESSIBILITY AND AFFORDABILITY STAND-
16 ARDS.—The Authority shall establish affordability and ac-
17 cessibility standards for social housing, which shall—

18 (1) ensure that units of social housing, in the
19 aggregate, are truly financially accessible to families
20 at a range of income levels, including—

21 (A) families who are homeless or at risk-
22 of homelessness; and

23 (B) extremely low-income families, low-in-
24 come families, and moderate-income families;

1 (2) ensure that not less than 40 percent of
2 dwelling units are set aside for extremely low-income
3 families in newly constructed units of permanently
4 affordable social housing or other housing units pre-
5 served or rehabilitated as permanently affordable so-
6 cial housing;

7 (3) ensure that not less than 70 percent of
8 dwelling units are set aside for low-income families
9 and extremely low-income families; and

10 (4) take into consideration—

11 (A) requirements for affordable housing
12 under other programs for assistance for afford-
13 able housing;

14 (B) Federal income thresholds in section
15 215(a) of the Cranston-Gonzalez National Af-
16 fordable Housing Act (42 U.S.C. 12745(a));

17 (C) neighborhood-scale rental markets,
18 which may include Small Area Fair Market
19 Rent standards published by the Department;
20 and

21 (D) household financial expenditures, bur-
22 dens, or costs, and historical legacies of exclu-
23 sion, due to which the Secretary may establish
24 new, comprehensive income thresholds, more
25 generous than the thresholds described in sub-

1 clause (II) as reasonably feasible and in accord-
2 ance with financial sustainability.

3 (d) RENTS.—

4 (1) INITIAL RENT.—A social housing provider
5 shall set the initial annual rent plus the sum of fees
6 charged to a household living in permanently afford-
7 able social housing at 25 percent of the adjusted
8 gross income of the household.

9 (2) INCREASES.—An increase in rent for a
10 property described in paragraph (1) may not exceed
11 the lesser of—

12 (A) 3 percent per year; or

13 (B) the percentage increase (if any) in the
14 Consumer Price Index since the previous rent
15 increase.

16 (3) RECALIBRATION.—Rent for a property de-
17 scribed in paragraph (1) shall be recalibrated to 25
18 percent of the household's adjusted gross income—

19 (A) not less frequently than once every 5
20 years;

21 (B) when the household's adjusted gross
22 income, as defined by the Secretary, changes by
23 10 percent or more; and

1 (C) when the household requests a re-
2 calibration due to economic hardship under a
3 process established by the Authority.

4 (4) PUBLIC HOUSING RENTAL GUIDELINES AND
5 FORMULA.—The rental guidelines and formula de-
6 scribed in section 3(a) of the United States Housing
7 Act of 1937 (42 U.S.C. 1437a(a)) shall supersede
8 paragraphs (1), (2), and (3) of this subsection with
9 respect to rent for a real property conveyed to a
10 public housing agency under section 7(e) for use and
11 operation as public housing.

12 (e) RESIDENT, APPLICANT, AND TENANT PROTEC-
13 TIONS.—

14 (1) IN GENERAL.—A social housing provider
15 shall comply with the resident, applicant, and tenant
16 protections under this subsection.

17 (2) JUST-CAUSE EVICTIONS.—

18 (A) IN GENERAL.—A social housing pro-
19 vider may not terminate or refuse to renew a
20 tenancy except for just cause and only pursuant
21 to advance written notice to the tenant and evi-
22 dence of such just cause, in accordance with
23 this subparagraph.

1 (B) DEFINITION OF JUST CAUSE.—For the
2 purposes of this paragraph, the term “just
3 cause” means—

4 (i) at-fault just case, as described in
5 subparagraph (C); or

6 (ii) no-fault just cause, as described in
7 subparagraph (D).

8 (C) AT-FAULT JUST-CAUSE.—

9 (i) GROUNDS.—For purposes of this
10 paragraph, at-fault just cause grounds for
11 eviction are any of the following:

12 (I) The tenant’s failure to pay
13 rent.

14 (II) The tenant’s engagement in
15 serious criminal activity on the prem-
16 ises that poses an imminent and di-
17 rect threat to the health or safety of
18 other tenants.

19 (III) The tenant causing substan-
20 tial damage to the premises after
21 being issued a written notice to cor-
22 rect the violation.

23 (IV) The tenant maintaining,
24 committing, or permitting the mainte-

1 nance or commission of a nuisance at
2 the property.

3 (V) The tenant permitting the
4 premises to be used for a criminal
5 purpose.

6 (VI) The tenant's refusal to exe-
7 cute the social housing provider's re-
8 quest for a written extension or re-
9 newal of a lease based on terms simi-
10 lar to the terms of the tenant's prior
11 lease without an unreasonable rent in-
12 crease.

13 (VII) The tenant's refusal to de-
14 liver possession of the premises after
15 providing written notice to the social
16 housing provider of the intent to ter-
17 minate the tenancy and after the so-
18 cial housing provider's acceptance of
19 that notice.

20 (ii) NOTICE.—

21 (I) NOTICE OF VIOLATION.—Be-
22 fore a social housing provider issues a
23 notice to terminate a tenancy for at-
24 fault just cause based on a curable
25 lease violation, as defined by the Au-

1 thority, the social housing provider
2 shall first give the tenant written no-
3 tice of the violation and the oppor-
4 tunity to cure the violation within a
5 reasonable period of time, subject to
6 the time periods specified in para-
7 graph (10)(A).

8 (II) NOTICE OF TERMINATION OF
9 TENANCY.—If a tenant does not cure
10 a violation within the reasonable pe-
11 riod of time set forth in a notice
12 under subclause (I), the social housing
13 provider may serve the tenant with a
14 notice of termination of tenancy with-
15 out a further opportunity to cure the
16 violation.

17 (III) UNCURABLE LEASE VIOLA-
18 TIONS.—Nothing in this clause shall
19 be construed to require notice in the
20 case of an uncurable lease violation,
21 as defined by the Authority.

22 (iii) UNREASONABLE RENT IN-
23 CREASE.—For purposes of this subpara-
24 graph, the term “unreasonable rent in-

1 crease” means an increase in rent that ex-
2 ceeds the lesser of—

3 (I) 3 percent per year; or

4 (II) the percentage increase (if
5 any) in the Consumer Price Index
6 since the previous rent increase.

7 (iv) LIMITATION.—

8 (I) IN GENERAL.—Notwith-
9 standing clauses (i), (ii), and (iii), a
10 social housing provider may not un-
11 fairly penalize an individual or an in-
12 dividual’s household based on the indi-
13 vidual’s criminal history or minor
14 legal infractions.

15 (II) AUTHORITY.—To carry out
16 subclause (I), the Authority, acting
17 through the Board by rulemaking
18 after notice and an opportunity for
19 public comment—

20 (aa) may define what activi-
21 ties, crimes, and convictions, if
22 any, may result in termination of
23 a lease or exclusion of a resident
24 from social housing; and

1 (bb) shall establish inclusive
2 procedures, policies, and regula-
3 tions to support the reintegration
4 of individuals with criminal
5 records into communities to en-
6 sure they have access to stable
7 housing.

8 (D) NO-FAULT JUST-CAUSE.—

9 (i) GROUNDS.—For purposes of this
10 paragraph, no-fault just cause grounds for
11 eviction are the following:

12 (I) The social housing provider
13 intends to remove the dwelling unit
14 from the rental market or substan-
15 tially remodel or demolish the dwelling
16 unit.

17 (II) The social housing provider
18 is required to comply with a local or-
19 dinance or an order from a court or
20 other governmental entity which re-
21 quires the tenant to vacate the prop-
22 erty.

23 (ii) RELOCATION COSTS.—In the case
24 of a no-fault just cause termination of ten-
25 ancy, the evicting social housing provider

1 shall assist the tenant with relocation costs
2 regardless of the tenant's income by pro-
3 viding—

4 (I) a direct payment of 1 month's
5 rent; or

6 (II) a written waiver of the ten-
7 ant's last month of rent.

8 (E) NO WAIVER OF RIGHTS.—Any waiver
9 of rights provided by this paragraph shall be
10 void.

11 (3) PROHIBITING DISCRIMINATION ON THE
12 BASIS OF SOURCE OF INCOME.—

13 (A) PROHIBITION.—The Authority shall
14 ensure that with respect to any unit of perma-
15 nently affordable social housing, no person may
16 engage in any conduct because of the source of
17 income of a person that would be unlawful
18 under the Fair Housing Act (42 U.S.C. 3601 et
19 seq.) if the conduct were engaged in because of
20 a protected characteristic under that Act.

21 (B) SOURCE OF INCOME.—For purposes of
22 this subparagraph, the term “source of income”
23 includes—

24 (i) a housing voucher under section 8
25 of the United States Housing Act of 1937

1 (42 U.S.C. 1437f) and any form of Fed-
2 eral, State, or local housing assistance pro-
3 vided to a family or provided to a housing
4 owner on behalf of a family, including
5 rental vouchers, rental assistance, and
6 rental subsidies from nongovernmental or-
7 ganizations;

8 (ii) any amount received by an indi-
9 vidual (including any amount to which an
10 individual is entitled for which payment is
11 made to a representative payee) by reason
12 of entitlement to—

13 (I) a monthly benefit under title
14 II or XVI of the Social Security Act
15 (42 U.S.C. 401 et seq., 1381 et seq.);
16 or

17 (II) a benefit under the Railroad
18 Retirement Act of 1974 (45 U.S.C.
19 231 et seq.);

20 (iii) income received by court order,
21 including spousal support and child sup-
22 port;

23 (iv) any payment from a trust, guard-
24 ian, or conservator; and

25 (v) any other lawful source of income.

1 (4) ADMISSIONS RESTRICTIONS.—

2 (A) SCREENING.—A social housing pro-
3 vider may screen applicants for permanently af-
4 fordable social housing solely for the purpose of
5 determining their ability to pay rent or other-
6 wise comply with the material terms of the
7 lease, provided the screening process and cri-
8 teria comply with subparagraph (B).

9 (B) RULES AND PROCEDURES.—A social
10 housing provider may not discriminate in a
11 manner prohibited by—

12 (i) section 804 of the Fair Housing
13 Act (42 U.S.C. 3604); or

14 (ii) section 701(a) of the Equal Credit
15 Opportunity Act (15 U.S.C. 1691(a)).

16 (5) PROHIBITED BASES OF DISCRIMINATION.—
17 A social housing provider may not implement any
18 rules or procedures that deny or discriminate
19 against an eligible applicant for permanently afford-
20 able social housing solely on the basis of—

21 (A) irrelevant criminal history, in accord-
22 ance with the final rule of the Department enti-
23 tled “Reducing Barriers to HUD-Assisted
24 Housing”, published in the Federal Register on
25 April 10, 2024 (89 Fed. Reg. 25332);

1 (B) credit history; or

2 (C) any other information that is not di-
3 rectly related to, or directly predictive of, an ap-
4 plicant's ability to pay rent or otherwise comply
5 with the material terms of the lease.

6 (6) DEMOCRATIC CONTROL.—In the case of so-
7 cial housing that is a multifamily rental property,
8 tenants shall have control of living and operating
9 conditions in the property through a democratically
10 elected resident organization, board, or council.

11 (7) RESIDENT ASSOCIATIONS AND TENANT OR-
12 GANIZATIONS.—Residents of permanently affordable
13 social housing shall have the right to organize to
14 form resident associations and tenant organizations
15 with automatic bargaining rights to address issues
16 related to their living environment.

17 (8) RIGHT TO RETURN WITHOUT RE-SCREEN-
18 ING.—A household that must relocate from a dwell-
19 ing unit in a property temporarily due to the
20 Authority's acquisition, rehabilitation, or demolition
21 of the property shall have a right to return to the
22 property and shall not be excluded from occupancy
23 based on any re-screening, income eligibility, or in-
24 come targeting.

1 (9) PHASED-IN RENT INCREASE.—In the case
2 of a household occupying a dwelling unit in a prop-
3 erty that initially is not social housing and has a
4 rent lower the maximum rental allowed under sub-
5 section (d), upon conversion of the property to per-
6 manently affordable social housing, the social hous-
7 ing provider shall phase in any potential rent in-
8 crease at a rate that does not exceed, over any 5-
9 year period, 10 percent each year.

10 (10) RESIDENT PROCEDURAL RIGHTS IN
11 LEASES.—

12 (A) IN GENERAL.—A lease for occupancy
13 of a dwelling unit in permanently affordable so-
14 cial housing shall incorporate each item under
15 this paragraph.

16 (B) TERMINATION NOTIFICATION.—The
17 social housing provider shall provide adequate
18 written notice of termination of the lease,
19 which—

20 (i) except as provided in clause (ii),
21 may not be fewer than 30 days; or

22 (ii) if a tenant is engaging in serious
23 criminal activity on the premises that
24 poses an imminent and direct threat to the

1 health and safety of other tenants, may
2 not exceed 30 days.

3 (C) GRIEVANCE PROCESS.—

4 (i) OPPORTUNITY FOR INFORMATION
5 HEARING.—For any dispute, termination
6 of assistance, eviction, or other adverse de-
7 terminations related to a resident’s ten-
8 ancy, welfare, or status, the social housing
9 provider shall provide the resident an op-
10 portunity for an informal hearing.

11 (ii) NOTICE OF OPPORTUNITY TO RE-
12 QUEST INFORMAL HEARING.—A social
13 housing provider shall provide residents
14 notice of the opportunity to request an in-
15 formal hearing described in clause (i).

16 (iii) RULE OF CONSTRUCTION.—This
17 subparagraph shall not provide any right
18 to an informal hearing for a class griev-
19 ance or to settle a dispute between resi-
20 dents not involving the social housing pro-
21 vider.

22 (f) ADDITIONAL REQUIREMENTS FOR SOCIAL HOUS-
23 ING PROVIDERS.—

24 (1) WAITING LIST.—

25 (A) IN GENERAL.—

1 (i) ESTABLISHMENT OF WAITING
2 LISTS AND RESIDENT SELECTION AND
3 TRANSFER POLICY.—

4 (I) WAITING LISTS.—The Au-
5 thority shall establish—

6 (aa) a waiting list for all so-
7 cial housing; or

8 (bb) a waiting list for each
9 social housing site.

10 (II) RESIDENT SELECTION AND
11 TRANSFER POLICY.—The Authority
12 shall establish a resident selection and
13 transfer policy under which individ-
14 uals on an existing waiting list main-
15 tained by a public housing agency
16 may be transferred to a waiting list
17 established under subclause (I).

18 (ii) PRIORITY FOR RESIDENTS OF OC-
19 CUPIED PROPERTIES TO RESIDE IN PROP-
20 erty.—In the case of an occupied prop-
21 erty that is converted to social housing, ex-
22 isting tenants shall receive priority to live
23 in the social housing.

24 (iii) PUBLIC HOUSING.—The Author-
25 ity shall determine the best policies and

1 procedures to transition applicants from
2 any public housing waiting list to a social
3 housing waiting list established under
4 clause (i)(I), and shall consider—

5 (I) transferring applicants from
6 an existing site-based public housing
7 waiting list to a new site-based social
8 housing waiting list;

9 (II) transferring applicants from
10 an existing site-based public housing
11 waiting list to a waiting list for all so-
12 cial housing;

13 (III) transferring an existing
14 community-wide public housing wait-
15 ing list to a different community-wide
16 social housing waiting list; and

17 (IV) informing applicants on a
18 community-wide public housing wait-
19 ing list how to transfer their applica-
20 tion to 1 or more newly created site-
21 based social housing waiting lists.

22 (B) MEANS OF CONTACT.—The owner of a
23 real property being converted to permanently
24 affordable social housing and the social housing
25 provider may determine the most appropriate

1 means of informing applicants on any public
2 housing or social housing community-wide wait-
3 ing list in the community in which the property
4 is located about the opportunity to apply for, or
5 be transferred to a waiting list for, the new so-
6 cial housing, given the number of applicants,
7 available resources, and the admissions require-
8 ments of the property, including—

9 (i) contacting each applicant on the
10 waiting list by direct mail or email;

11 (ii) advertising the availability of
12 housing to the population that is less likely
13 to apply, both minority and non-minority
14 groups, through various forms of media
15 within the marketing area, such as radio
16 stations, posters, and newspapers;

17 (iii) informing local nonprofit entities
18 and advocacy groups, such as disability
19 rights groups; and

20 (iv) conducting other outreach as ap-
21 propriate.

22 (C) REQUIREMENTS.—

23 (i) PERSONS WITH DISABILITIES OR
24 LIMITED ENGLISH PROFICIENCY.—Any ac-
25 tivity by a social housing provider to con-

1 tact applicants on a public housing waiting
2 list or social housing waiting list shall be
3 conducted in a manner that ensures—

4 (I) effective communication with
5 persons with disabilities; and

6 (II) meaningful access for per-
7 sons with limited English proficiency
8 (which may include communications
9 in languages other than English).

10 (ii) **SITE-BASED WAITING LIST.**—

11 When using a site-based waiting list, a so-
12 cial housing provider shall consider waiting
13 list and transfer policies that expand op-
14 portunities for tenants seeking an emer-
15 gency transfer under, or consistent with,
16 the owner’s emergency transfer plan, and
17 allowing for easier moves between assisted
18 properties.

19 (D) **ADMINISTRATION.**—After the initial
20 waiting list has been established for a social
21 housing property, the social housing provider
22 shall administer the waiting list in a manner
23 that facilitates the fair and uniform treatment
24 of applicants for, residents of, and units at the

1 property, in accordance with all applicable civil
2 rights and fair housing laws and regulations.

3 (2) ACCESS TO RECORDS.—A social housing
4 provider shall cooperate with any reasonable re-
5 quests for information made by the Authority (if ap-
6 plicable), an applicant, or a resident, including to
7 support the permanently affordable social housing
8 program evaluation, and including project financial
9 statements, operating data, and rehabilitation work.

10 (3) OPERATING BUDGET.—A social housing
11 provider that is an eligible entity shall—

12 (A) submit to the Authority annually an
13 operating budget for the permanently affordable
14 social housing and such other information as
15 the Authority considers necessary to assess the
16 financial health of the permanently affordable
17 social housing; and

18 (B) determine annually whether the per-
19 manently affordable social housing—

20 (i) is generating excess cash that shall
21 be reinvested or returned to the Authority;

22 or

23 (ii) is in need of operating assistance,
24 including adequate capitalization of re-
25 serves for replacement, from the Authority.

1 (4) REINVESTMENT OF SURPLUS.—A social
2 housing provider shall prioritize any reinvestment of
3 surplus operating funds for social housing dwelling
4 units for families whose household incomes are at or
5 below 30 percent of area median income.

6 (5) ECONOMIC OPPORTUNITIES FOR LOW- AND
7 VERY LOW-INCOME PERSONS.—The operation of per-
8 manently affordable social housing shall be consid-
9 ered a program that provides housing and commu-
10 nity development assistance for purposes of section
11 3 of the Housing and Urban Development Act of
12 1968 (12 U.S.C. 1701u).

13 (g) PRIVATE RIGHT OF ACTION.—A tenant of a per-
14 manently affordable social housing who is charged a rent
15 that exceeds the amount permitted under subsection (d)
16 or who is evicted in violation of subsection (e) may bring
17 in an appropriate district court of the United States a civil
18 action to obtain injunctive relief, compensatory damages
19 and punitive damages, or such other relief as the court
20 may consider to be appropriate.

21 **SEC. 8. LABOR AND BUY AMERICA PROVISIONS.**

22 (a) IN GENERAL.—In carrying out their respective
23 authorities under this Act, the Authority and each eligible
24 entity —

1 (1) shall ensure that construction materials and
2 manufactured products used are—

3 (A) substantially manufactured, mined,
4 and produced in the United States in accord-
5 ance with section 8302 of title 41, United
6 States Code (including the amendments to that
7 section made by the Build America, Buy Amer-
8 ica Act (subtitle A of title IX of division G of
9 the Infrastructure Investment and Jobs Act (41
10 U.S.C. 8301 note; Public Law 117–58))); and

11 (B) to protect workers and residents, in-
12 cluded in the Recommendations of Specifica-
13 tions, Standards, and Ecolabels for Federal
14 Purchasing list (or a successor document) de-
15 veloped under the Environmentally Preferable
16 Purchasing Program of the Environmental Pro-
17 tection Agency;

18 (2) shall ensure that all laborers and mechanics
19 employed by contractors or subcontractors in the
20 performance of construction, prosecution, comple-
21 tion, or repair work carried out, in whole or in part,
22 with assistance made available under this Act, in-
23 cluding negotiable instruments described in section
24 4(d), shall be paid wage rates not less than those
25 prevailing on projects of a similar character in the

1 locality, as determined by the Secretary of Labor, in
2 accordance with subchapter IV of chapter 31 of title
3 40, United States Code;

4 (3) with respect to any construction project for
5 which the total estimated cost of the construction is
6 \$25,000,000 or more, shall ensure each contractor
7 and subcontractor engaged in the construction on
8 the project agrees, for the project, to negotiate or
9 become a party to a project labor agreement as that
10 term is defined in section 22.502 of title 48, Code
11 of Federal Regulations (as in effect on the date of
12 enactment of this Act);

13 (4) may not hire employees through a tem-
14 porary staffing agency, unless the project is not
15 being carried out under a project labor agreement
16 and the relevant State workforce agency certifies
17 that temporary employees are necessary to address
18 an acute, short-term labor demand;

19 (5) shall implement measures to ensure that
20 outreach and recruitment efforts extend to local and
21 underrepresented communities, including through
22 support for pre-apprenticeship programs or the
23 adoption of local hire provisions to the extent per-
24 mitted by law;

25 (6) shall adopt—

1 (A) an explicit policy on any issue involv-
2 ing the organization of employees, including the
3 employees of all contractors and subcontractors
4 engaged in the construction on the project, for
5 purposes of collective bargaining, not to deter
6 the employees with respect to—

7 (i) labor organizing for the employees
8 engaged; and

9 (ii) the employees' choice to form and
10 join labor organizations;

11 (B) such policies that require—

12 (i) the posting and maintenance of no-
13 tices in the workplace to notify the employ-
14 ees of their rights under the National
15 Labor Relations Act (29 U.S.C. 151 et
16 seq.);

17 (ii) that the employees are, at the be-
18 ginning of their employment, provided no-
19 tice and information regarding the employ-
20 ees' rights under the National Labor Rela-
21 tions Act; and

22 (iii) an employer to voluntarily recog-
23 nize a labor organization in cases where a
24 majority of the employees have joined and
25 requested representation; and

1 (C) a safety and health program that in-
2 cludes all the core elements of a workplace safe-
3 ty and health program, as recommended by the
4 Occupational Safety and Health Administra-
5 tion;

6 (7) shall consider an individual performing any
7 service for the social housing provider, a contractor,
8 or subcontractor as an employee, and not an inde-
9 pendent contractor, unless—

10 (A) the individual is free from control and
11 direction in connection with the performance of
12 the service, both under the contract for the per-
13 formance of the service and in fact;

14 (B) the service is performed outside the
15 usual course of the business of the social hous-
16 ing provider, contractor, or subcontractor, re-
17 spectively; and

18 (C) the individual is customarily engaged
19 in an independently established trade, occupa-
20 tion, profession, or business of the same nature
21 as that involved in such service; and

22 (8) shall ensure that the installation, operation,
23 and maintenance of electric vehicle chargers by
24 qualified technicians meets the standards described

1 in section 680.106(j) of title 23, Code of Federal
2 Regulations, or any successor regulation.

3 (b) ACTION TO ENFORCE INDEPENDENT CON-
4 TRACTOR REQUIREMENT.—A third party, including a
5 State or local government, may bring an action in any
6 court of competent jurisdiction to enforce the requirement
7 under subsection (a)(7).

8 (c) AUTHORITY FOR CERTAIN LABOR STANDARDS.—
9 With respect to the labor standards specified in subsection
10 (a)(2), the Secretary of Labor shall have the authority and
11 functions set forth in Reorganization Plan Numbered 14
12 of 1950 (64 Stat. 1267; 5 U.S.C. App.) and section 3145
13 of title 40, United States Code.

14 **SEC. 9. DUTY TO SERVE.**

15 (a) DUTY.—To further the purposes of this Act, the
16 Authority shall serve rural and Native communities.

17 (b) EVALUATION AND REPORTING OF COMPLI-
18 ANCE.—

19 (1) EVALUATION METHOD.—The Authority
20 shall, by regulation, establish effective for 2025 and
21 each year thereafter a method for evaluating wheth-
22 er, and the extent to which, the Authority has com-
23 plied with the duty under subsection (a) and for rat-
24 ing the extent of such compliance.

1 (2) ANNUAL EVALUATION.—Using the method
2 established under paragraph (1), the Authority shall,
3 for 2025, and each year thereafter, evaluate compli-
4 ance described in that subparagraph and rate its
5 performance as to extent of compliance.

6 (3) ANNUAL REPORT.—The Authority shall an-
7 nually publish and submitted to the Committee on
8 Banking, Housing, and Urban Affairs of the Senate
9 and the Committee on Financial Services of the
10 House of Representatives a report that contains the
11 evaluation and rating for the year as described in
12 paragraph (2).

13 **SEC. 10. COMMUNITY AND TENANT OPPORTUNITY TO PUR-**
14 **CHASE MULTIFAMILY RENTAL PROPERTIES.**

15 (a) DEFINITIONS.—In this section:

16 (1) APPROVED STATEMENT OF INTEREST.—
17 The term “approved statement of interest”, with re-
18 spect to a property, means a qualifying tenant orga-
19 nization’s statement of interest in purchasing the
20 property that has been approved by the Authority.

21 (2) COVERED RENTAL PROPERTY.—The term
22 “covered rental property”—

23 (A) means multifamily housing that con-
24 tains 3 or more separate rental dwelling units
25 and—

1 (i) received a credit under section 41
2 of the Internal Revenue Code of 1986 by
3 reason of subsection (h)(4)(B) of that sec-
4 tion;

5 (ii) has a mortgage made by the Sec-
6 retary of Agriculture under section 515 of
7 the Housing Act of 1949 (42 U.S.C.
8 1485);

9 (iii) has a distressed or nonperforming
10 mortgage loan held by the Federal Na-
11 tional Mortgage Association or the Federal
12 Home Loan Mortgage Authority;

13 (iv) secures a mortgage loan issued by
14 a member institution of a Federal Home
15 Loan Bank; or

16 (v) has a federally insured mortgage
17 and has an organization of tenants that
18 has demonstrated an interest in, and main-
19 tained an approved statement of interest
20 in, purchasing, subject to the application
21 process and procedures determined by the
22 Authority; and

23 (B) does not include a student housing
24 dormitory.

1 (3) FIRST-LOOK AND FIRST OPPORTUNITY TO
2 PURCHASE PERIOD.—The term “first-look and first
3 opportunity to purchase period” means the 30-day
4 period described in subsection (d)(1)(A).

5 (4) NOTICE PERIOD.—The term “notice period”
6 means the 90-day period described in subsection
7 (c)(2)(A).

8 (5) QUALIFYING TENANT ORGANIZATION.—The
9 term “qualifying tenant organization” means an in-
10 corporated tenant organization.

11 (b) EXCLUDED PROPERTY TRANSFERS.—This sec-
12 tion does not apply to—

13 (1) any transfer by devise or intestacy or any
14 other transfer made in connection with a bona fide
15 effort to pass an interest in real property to one’s
16 devisees or heirs (including such a transfer made in
17 connection with a living trust); or

18 (2) any transfer between or among spouses, do-
19 mestic partners, siblings (including half-siblings,
20 step-siblings, and adoptive siblings), parents (includ-
21 ing step-parents and adoptive parents) or guardians
22 and their children, grandparents and their grand-
23 children, aunts or uncles and their nieces or neph-
24 ews, great-aunts or great-uncles and their grand-

1 nieces or grand-nephews, or first or second cousins,
2 or any combination thereof.

3 (c) OBLIGATION TO PROVIDE NOTICE OF INTENT TO
4 SELL.—

5 (1) IN GENERAL.—The owner of a covered rent-
6 al property shall provide written notice to tenants
7 and the Authority of the owner’s interest in selling,
8 transferring, assigning, or conveying the property or
9 the mortgage on the property, as soon as is prac-
10 ticable in good faith.

11 (2) NOTICE PERIOD; PROCEDURES.—The owner
12 of a covered rental property may not sell, transfer,
13 assign, or convey the property or the mortgage on
14 the property, including by means of any short sale
15 or sale pursuant to foreclosure, unless the owner—

16 (A) provides written notice to tenants and
17 the Authority not later than 90 days before the
18 property or mortgage would be sold, trans-
19 ferred, assigned, or conveyed; and

20 (B) provides a first look, opportunity to
21 purchase, and right of first refusal to purchase
22 the property in accordance with the procedures
23 and requirements under subsection (d).

24 (d) ADDITIONAL OBLIGATIONS.—

1 (1) FIRST-LOOK AND FIRST OPPORTUNITY TO
2 PURCHASE PERIOD.—

3 (A) IN GENERAL.—During the 30-day pe-
4 riod beginning on the day after the last day of
5 the notice period, the owner of the covered rent-
6 al property shall provide eligible entities the
7 first opportunity to purchase the property.

8 (B) PRIORITY FOR ELIGIBLE ENTITIES.—
9 The owner of the covered rental property may
10 not offer the covered rental property for sale to
11 any other purchaser, solicit any offer or bid to
12 purchase the covered rental property, or other-
13 wise enter into a contract for the transfer, sale,
14 assignment, or conveyance of the covered rental
15 property until after the end of the first-look and
16 first opportunity to purchase period.

17 (2) PRIORITY OF FIRST LOOK AND OPPOR-
18 TUNITY TO PURCHASE.—

19 (A) IN GENERAL.—Any eligible entity
20 wishing to take advantage of the priority grant-
21 ed under paragraph (1) with respect to a cov-
22 ered rental property shall provide a notice of
23 offer of sale by the end of the first-look and
24 first opportunity to purchase period.

1 (B) ORDER OF PRIORITY.—The owner of
2 covered rental property shall consider offers de-
3 scribed in subparagraph (A) according to the
4 following order of priority:

5 (i) An offer from a qualifying tenant
6 organization that was incorporated before
7 the notice period and that has a current,
8 approved statement of interest in pur-
9 chasing the covered rental property.

10 (ii) An offer from a qualifying tenant
11 organization that was incorporated during
12 the notice period.

13 (iii) An offer from an eligible entity
14 that a qualifying tenant organization of the
15 covered rental property has endorsed.

16 (iv) An offer from an eligible entity
17 that a qualifying tenant organization of the
18 covered rental property has not endorsed.

19 (3) RIGHT OF FIRST REFUSAL.—After the
20 owner of a covered rental property complies with
21 subsection (c) and paragraphs (1) and (2) of this
22 subsection, if the owner does not sell the covered
23 rental property to an eligible entity under such para-
24 graph (2) and instead opts to make the covered
25 rental property available for sale to a third party, in-

1 cluding by means of any short sale or sale pursuant
2 to foreclosure, any eligible entity shall have the right
3 to match any third-party offer (referred to in this
4 subsection as the “right of first refusal”).

5 (4) FAILURE TO SELL.—If the owner of a cov-
6 ered rental property does not enter into a sales con-
7 tract during the 1-year period beginning on the date
8 on which the right of first refusal under paragraph
9 (3) is triggered, the obligation to provide notice of
10 the interest and intent to sell under subsection (c)
11 shall renew, and the owner may not sell the property
12 except pursuant to subsection (c) and this sub-
13 section.

14 (e) RIGHTS OF TENANTS.—

15 (1) TENANT NOTIFICATION.—The owner of a
16 covered rental property, in notifying the tenants of
17 the covered rental property of the interest of the
18 owner in selling, transferring, assigning, or con-
19 veying the property or the mortgage on the property
20 under subsection (c), shall provide the notice in an
21 accessible manner that clearly outlines the process
22 under this section and available resources.

23 (2) TENANT OPPORTUNITY TO PURCHASE.—
24 Not later than the first day of the first-look and
25 first opportunity to purchase period, the owner of a

1 covered rental property shall notify tenants of the
2 opportunity to purchase the covered rental property
3 in an accessible manner that clearly outlines their
4 rights and the resources available under this section
5 to support a purchase.

6 (3) TENANT NOTIFICATION OF OFFERS.—The
7 owner of a covered rental property shall notify the
8 tenants of the property of each offer to purchase the
9 property made by an eligible entity.

10 (4) TENANT ORGANIZATIONS.—

11 (A) RIGHT TO PURCHASE ONLY AS ORGA-
12 NIZATION.—Nothing in subsection (d) shall be
13 construed to provide the right to purchase a
14 covered rental property to an individual tenant.

15 (B) TECHNICAL ASSISTANCE.—As part of
16 the technical assistance provided under section
17 6(d) and subsection (g) of this section, the Au-
18 thority shall provide resources to expedite the
19 incorporation of tenant organizations to better
20 allow tenants to participate in the process for
21 purchase of a covered rental property under
22 subsection (d) of this section, including pre-no-
23 tification tenant training especially in areas at
24 high risk for displacement.

1 (5) ESTABLISHMENT OF RESIDENT-OWNED CO-
2 OPERATIVE OR COMMUNITY LAND TRUST.—A quali-
3 fying tenant organization that wishes to purchase a
4 covered rental property under this section shall es-
5 tablish a resident-owned cooperative or community
6 land trust to purchase the covered rental property.

7 (6) RIGHTS AFTER PURCHASE.—If a qualifying
8 tenant organization purchases a covered rental prop-
9 erty under this section, the subsequent resident or-
10 ganization may resell the property to an eligible enti-
11 ty.

12 (7) ENDORSEMENTS.—A qualifying tenant or-
13 ganization for a covered rental property may endorse
14 an eligible entity’s offer of sale for purposes of the
15 order of priority under subsection (d)(2)(B), by a
16 majority vote of tenants and subject to procedures
17 outlined by the Authority.

18 (8) REPRESENTATIVES.—A qualifying tenant
19 organization may retain a legal representative to act
20 as an agent of the qualifying tenant organization for
21 purposes of this section.

22 (9) CONVEYANCE OF RIGHTS.—A tenant of a
23 covered rental property may not assign, transfer,
24 sell, or convey the rights afforded to the tenant
25 under this section.

1 (f) RESPONSIBILITIES OF ALL INTERESTED PAR-
2 TIES.—For purposes of this section, an eligible entity, in-
3 cluding a qualifying tenant organization and a legal rep-
4 resentative of a qualifying tenant organization, and an
5 owner of a covered rental property shall negotiate in good
6 faith and communicate within reasonable timeframes.

7 (g) ROLE OF AUTHORITY.—

8 (1) IN GENERAL.—The Authority shall—

9 (A) establish an Office of Community and
10 Tenant Opportunity to Purchase Act to provide
11 direct technical assistance and grants for tech-
12 nical assistance to eligible entities, and legal
13 representatives of qualifying tenant organiza-
14 tions, in order to support and enhance the abil-
15 ity of eligible entities, including qualifying ten-
16 ant organizations, to make purchases under this
17 section;

18 (B) establish an application process, proce-
19 dures, and requirements for qualifying tenant
20 organizations to establish and maintain a state-
21 ment of interest in purchasing a covered rental
22 property; and

23 (C) finance purchases made by eligible en-
24 tities under this section, consistent with the
25 purposes of section 5.

1 (2) APPLICATION FOR STATEMENT OF INTER-
2 EST IN PURCHASING.—The application for a quali-
3 fying tenant organization to establish a statement of
4 interest in purchasing a covered rental property shall
5 include such information as the Authority deter-
6 mines appropriate.

7 (3) PRIORITIES.—In the funding of purchases
8 made under this section or the approval of a quali-
9 fying tenant organization’s statement of interest in
10 purchasing a covered rental property, the Authority
11 may prioritize based on the following factors:

12 (A) The affordable housing needs of a re-
13 gion or State.

14 (B) The potential number of permanently
15 affordable housing units.

16 (C) The feasibility of a project.

17 (D) The opportunity to improve the condi-
18 tion and quality of housing for extremely low-
19 income families or low-income families.

20 (E) The pressures of displacement and the
21 opportunity to preserve naturally occurring af-
22 fordable housing.

23 (F) Any factors related to the purposes or
24 powers of the Authority.

1 (4) NONCOMPLIANCE REGULATIONS.—The Au-
2 thority shall promulgate regulations establishing
3 penalties for noncompliance under this section and
4 appropriate financial penalties to enforce this sec-
5 tion.

6 (5) GENERAL REGULATIONS.—The Authority—

7 (A) shall promulgate regulations necessary
8 to carry out this section; and

9 (B) in conjunction with the Secretary and
10 State and local housing agencies, shall promul-
11 gate regulations to carry out this section with
12 respect to purchases made by eligible entities.

13 **SEC. 11. MAXIMUM CONTINGENT LIABILITY.**

14 (a) IN GENERAL.—The maximum contingent liability
15 of the Authority outstanding at any time may not exceed
16 in the aggregate the applicable amount under subsection
17 (b).

18 (b) AMOUNT SPECIFIED.—

19 (1) INITIAL 5-YEAR PERIOD.—For purposes of
20 subsection (a), the applicable amount for the 5-year
21 period beginning on the date of the enactment of
22 this Act is \$150,000,000,000.

23 (2) SUBSEQUENT 5-YEAR PERIODS.—Not later
24 than 5 years after the date of enactment of this Act,
25 and not less frequently than once every 5 years

1 thereafter, the Board shall adjust the amount speci-
2 fied in paragraph (1) to reflect the percentage in-
3 crease (if any) in the Consumer Price Index since
4 the previous adjustment under this paragraph.

5 **SEC. 12. AUTHORITY FUNDS.**

6 (a) DEFINITIONS.—In this section:

7 (1) COST.—The term “cost”, with respect to a
8 direct loan or loan guarantee, has the meaning given
9 the term in section 502 of the Federal Credit Re-
10 form Act of 1990 (2 U.S.C. 661a); and

11 (2) DIRECT LOAN.—The term “direct loan” has
12 the meaning given the term in section 502 of the
13 Federal Credit Reform Act of 1990 (2 U.S.C. 661a).

14 (3) LOAN GUARANTEE.—The term “loan guar-
15 antee” has the meaning given the term in section
16 502 of the Federal Credit Reform Act of 1990 (2
17 U.S.C. 661a).

18 (4) PROJECT-SPECIFIC TRANSACTION COSTS.—

19 (A) IN GENERAL.—The term “project-spe-
20 cific transaction costs”—

21 (i) means the costs incurred by the
22 Authority for travel and legal expenses and
23 direct and indirect costs incurred by the
24 Authority in claims settlements; and

1 (ii) does not include the costs of infor-
2 mation technology (as that term is defined
3 in section 11101 of title 40, United States
4 Code).

5 (B) TREATMENT.—Project-specific trans-
6 action costs shall not be considered administra-
7 tive expenses for the purposes of this section.

8 (b) AUTHORITY CAPITAL ACCOUNT.—There is estab-
9 lished in the Treasury of the United States a fund to be
10 known as the “Authority Capital Account” to carry out
11 the purposes of the Authority.

12 (c) FUNDING.—The Authority Capital Account shall
13 consist of—

14 (1) fees charged and collected under subsection

15 (d);

16 (2) any amounts received under subsection (f);

17 (3) investments and returns on investments
18 under subsection (h);

19 (4) payments received in connection with sales
20 and other business of the Authority;

21 (5) any proceeds from bonds sold under section
22 4(d);

23 (6) any amounts appropriated to the Authority
24 Capital Account; and

1 (7) all other collections transferred to or earned
2 by the Authority, excluding the cost of direct loans
3 and loan guarantees.

4 (d) FEE AUTHORITY.—The Authority may charge
5 and collect fees for providing services in amounts to be
6 determined by the Board.

7 (e) USE OF AUTHORITY CAPITAL ACCOUNT.—The
8 Authority may use amounts in the Authority Capital Ac-
9 count to carry out the purposes described in section 5,
10 including for—

11 (1) the cost of direct loans and loan guarantees;

12 (2) administrative expenses of the Authority;

13 (3) for the cost of providing support authorized
14 by section 6;

15 (4) project-specific transaction costs;

16 (5) payment of all insurance and reinsurance
17 claims of the Authority;

18 (6) repayments to the Treasury of the United
19 States of amounts borrowed under subsection (f);
20 and

21 (7) dividend payments to the Treasury of the
22 United States under subsection (g).

23 (f) AUTHORITY TO BORROW.—The Authority may
24 borrow from the Treasury of the United States such sums
25 as may be necessary to fulfill obligations of the Authority

1 and any such borrowing shall be at a rate determined by
2 the Secretary of the Treasury, taking into consideration
3 the current average market yields on outstanding market-
4 able obligations of the United States of comparable matu-
5 rities, for a period jointly determined by the Authority and
6 the Secretary of the Treasury, and subject to such terms
7 and conditions as the Secretary of the Treasury may re-
8 quire.

9 (g) DIVIDENDS.—The Board, in consultation with
10 the Director of the Office of Management and Budget,
11 shall annually assess a dividend payment to the Treasury
12 of the United States if the Authority Capital Account is
13 more than 100 percent reserved.

14 (h) INVESTMENT AUTHORITY.—

15 (1) IN GENERAL.—The Authority may request
16 the Secretary of the Treasury to invest such portion
17 of the Authority Capital Account as is not, in the
18 Authority's judgement, required to meet the current
19 needs of the Authority Capital Account.

20 (2) FORM OF INVESTMENTS.—Investments
21 under paragraph (1) shall be made by the Secretary
22 of the Treasury in public debt obligations, with ma-
23 turities suitable to the needs of the Authority Cap-
24 ital Account, as determined by the Authority, and
25 bearing interest at rates determined by the Sec-

1 retary of the Treasury, taking into consideration
2 current market yields on outstanding marketable ob-
3 ligations of the United States of comparable matu-
4 rities.

5 (i) COLLECTIONS.—Interest earned under subsection
6 (h) and amounts, excluding fees related to insurance or
7 reinsurance, collected under subsection (d), shall not be
8 collected for any fiscal year except to the extent provided
9 in advance in appropriation Acts.

10 **SEC. 13. AUTHORIZATION OF APPROPRIATIONS FOR AU-**
11 **THORITY.**

12 (a) AUTHORITY FUNDS.—There is authorized to be
13 appropriated to the Authority Capital Account established
14 under section 12(b) to carry out this Act \$30,000,000,000
15 for each of fiscal years 2025 through 2035.

16 (b) ALLOCATIONS TO INDIAN TRIBES AND TRIBALLY
17 DESIGNATED HOUSING ENTITIES.—

18 (1) IN GENERAL.—The Authority shall allocate
19 not less than 5 percent of amounts appropriated
20 under subsection (a) to provide assistance to Indian
21 Tribes and tribally designated housing entities—

22 (A) in accordance with notice and com-
23 ment rulemaking procedures under section 553
24 of title 5, United States Code; and

1 (B) in consultation with Indian Tribes,
2 tribally designated housing entities, and the Of-
3 fice of Native American Programs of the De-
4 partment of Housing and Urban Development.

5 (2) SUPPLEMENT NOT SUPPLANT.—To the
6 greatest extent possible, the allocation described in
7 paragraph (1) shall supplement and not supplant
8 any funding that an Indian Tribe or a tribally des-
9 ignated housing entity receives from a governmental
10 source.

11 (c) ALLOCATIONS TO RURAL COMMUNITIES.—

12 (1) IN GENERAL.—The Authority shall allocate
13 not less than 10 percent of amounts appropriated
14 under subsection (a) to provide assistance to housing
15 entities in rural communities—

16 (A) in accordance with notice and com-
17 ment rulemaking procedures under section 553
18 of title 5, United States Code; and

19 (B) in consultation with the Rural Housing
20 Service of the Department of Agriculture.

21 (2) SUPPLEMENT NOT SUPPLANT.—To the
22 greatest extent possible, the allocation described in
23 paragraph (1) shall supplement and not supplant
24 any funding that a rural housing entity receives
25 from a governmental source.

1 **SEC. 14. AUTHORIZATION OF APPROPRIATIONS FOR PUB-**
2 **LIC HOUSING BACKLOG.**

3 There is authorized to be appropriated for assistance
4 from the Public Housing Capital Fund established under
5 section 9(d) of the United States Housing Act of 1937
6 (42 U.S.C. 1437g(d)) such sums as may be necessary to
7 address the public housing capital backlog at the Depart-
8 ment, which amount shall remain available until expended
9 and, notwithstanding subsections (c)(1) and (d)(2) of such
10 section 9, shall be allocated to public housing agencies
11 based upon the extent of the capital need of each agency,
12 as determined according to the most recent physical needs
13 assessment of the agencies, with a minimum amount for
14 each agency to be specified by the Authority.

15 **SEC. 15. REPEAL OF FAIRCLOTH AMENDMENT.**

16 Section 9(g) of the United States Housing Act of
17 1937 (42 U.S.C. 1437g(g)) is amended by striking para-
18 graph (3).

19 **SEC. 16. MISCELLANEOUS.**

20 (a) SAVINGS CLAUSE.—Except as may be otherwise
21 expressly provided in this Act, all powers and authorities
22 conferred by this Act shall be cumulative and additional
23 to and not in derogation of any powers and authorities
24 otherwise existing.

25 (b) SEVERABILITY.—If any provision of this Act, an
26 amendment made by this Act, or the application of such

1 provision or amendment to any person or circumstance is
2 held to be invalid, the remainder of this Act and the
3 amendments made by this Act, and the application of the
4 provision or amendment to any other person or cir-
5 cumstance, shall not be affected.

6 (c) EFFECTIVE DATE; INTERIM APPOINTMENTS.—
7 This Act shall take effect on the date that is 60 days after
8 the date of enactment of this Act, or on such earlier date
9 as the President shall specify by Executive order published
10 in the Federal Register, except that any of the officers
11 provided for in section 4(c) may be nominated and ap-
12 pointed, as provided in that section, at any time after the
13 date of enactment.

14 (d) DESIGNATION OF TEMPORARY OFFICERS.—

15 (1) IN GENERAL.—If 1 or more officers re-
16 quired by this Act to be appointed by the President,
17 by and with the advice and consent of the Senate,
18 have not entered office as of the effective date of
19 this Act under subsection (c), the President may
20 designate any person who was an officer of the De-
21 partment as of the day before that effective date to
22 serve in that office in an acting capacity until the
23 earlier of—

24 (A) the date on which the office is filled as
25 provided in this Act; or

1 (B) the date that is 60 days after the ef-
2 fective date.

3 (2) COMPENSATION.—While serving in an office
4 in an acting capacity as described in paragraph (1),
5 a person shall receive compensation at the rate pro-
6 vided by this Act for that office.

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