

118TH CONGRESS
2D SESSION

S. 5078

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 SENATE OF THE UNITED STATES

SEPTEMBER 18, 2024

Ms. SMITH (for herself, Mr. WELCH, and Mr. MERKLEY) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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,*

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

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

6 (b) TABLE OF CONTENTS.—The table of contents for
7 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.

1 SEC. 2. FINDINGS AND PURPOSES.

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

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

7 (1) to establish a robust public entity to develop
 8 a stock of permanently affordable, quality, publicly-
 9 financed, and climate resilient housing that is shield-
 10 ed from market speculation; and

11 (2) to stabilize communities and improve gen-
 12 eral welfare by maintaining a housing system, as an
 13 alternative to market-rate housing, that offers af-
 14 fordability, fair housing choice, and quality to all
 15 families that are unable to afford market rents, in-
 16 cluding families in underserved communities and

1 families that have experienced historical legacies of
2 exclusion.

3 **SEC. 3. DEFINITIONS.**

4 (a) IN GENERAL.—In this Act:

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

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

12 (3) AUTHORITY.—The term “Authority” means
13 the Housing Development Authority established
14 under section 4(a).

15 (4) BOARD.—The term “Board” means the
16 Board of Directors of the Authority established
17 under section 4(c)(1).

18 (5) COMMUNITY LAND TRUST.—The term
19 “community land trust” means a nonprofit entity or
20 a State or local government or instrumentality there-
21 of that—

22 (A) is not sponsored by a for-profit organi-
23 zation;

24 (B) has as a primary purpose the provision
25 and maintenance of housing that provides long-

1 term affordability for low-income families and
2 moderate-income families;

3 (C) provides housing described in subpara-
4 graph (B) using a ground lease, deed covenant,
5 or other similar legally enforceable measure, as
6 determined by the Authority, that—

7 (i) keeps the housing permanently af-
8 fordable to low-income families and mod-
9 erate-income families; and

10 (ii) enables low-income families and
11 moderate-income families to purchase the
12 housing for homeownership; and

13 (D) maintains preemptive purchase options
14 to purchase the property so the housing re-
15 mains affordable to low-income families and
16 moderate-income families.

17 (6) COMMUNITY-LED DEVELOPMENT ORGANIZA-
18 TION.—The term “community-led development orga-
19 nization” means a nonprofit organization comprised
20 of or acting on behalf of individuals seeking to es-
21 tablish, develop, maintain, and reside in a resident-
22 owned multifamily housing building that includes
23 shared community amenities, whether through the
24 development of a new building or the rehabilitation
25 or conversion of an existing building.

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

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

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

11 (A) the obligor thereof is subject to a
12 bankruptcy, insolvency, liquidation, or other
13 similar action or proceeding;

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

21 (C) the asset is classified by the lender as
22 “nonperforming” pursuant to generally accept-
23 ed accounting principles; or

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

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

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

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

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

16 (14) INDIAN TRIBE.—The term “Indian Tribe”
17 has the meaning given the term “Indian tribe” in
18 section 4 of the Native American Housing Assist-
19 ance and Self-Determination Act of 1996 (25 U.S.C.
20 4103).

21 (15) PERMANENT AFFORDABILITY.—The term
22 “permanent affordability” means a designation for a
23 residential property, the affordability of which is
24 preserved in perpetuity through—

1 (A) a real property interest held by the
2 Authority; and

3 (B) the inclusion of a permanently afford-
4 able social housing use restriction in the deed to
5 the land and, where applicable, any ground
6 lease to the improvements on the land.

7 (16) PERMANENTLY AFFORDABLE SOCIAL
8 HOUSING; SOCIAL HOUSING.—

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

14 (i) SOCIAL OWNERSHIP.—The housing
15 is owned by the Authority or an eligible en-
16 tity.

17 (ii) PERMANENT STABILITY.—The
18 housing is—

19 (I) protected from for-profit in-
20 vestors and the speculative market;
21 and

22 (II) subject to restrictions that
23 ensure that it is never resold for ex-
24 cessive profit, as determined by the
25 Authority.

1 (iii) PERMANENT AFFORDABILITY.—

2 The housing meets the requirements of
3 paragraph (15) and, in the aggregate, is
4 permanently affordable to families at a
5 range of income levels, including extremely
6 low-income families and no-income fami-
7 lies.

8 (iv) COMMUNITY CONTROL.—The

9 housing is developed, owned, managed, and
10 operated in a way that is democratically
11 accountable to residents, the community,
12 and the public, with residents having a di-
13 rect role in management and decision-mak-
14 ing, such as through a tenant organization.

15 (v) EQUITABLE.—The housing pro-

16 motes racial and gender equity and pre-
17 vents displacement of communities of color.

18 (vi) SUSTAINABILITY.—The housing is

19 built, renovated, or rehabilitated using con-
20 struction methods and materials that—

21 (I) prioritize energy efficiency,
22 the long-term safety and health of oc-
23 cupants, and disaster resilience; and

24 (II) are guided by an evidence-
25 based approach designed to reduce

1 pollution burdens and climate vola-
2 tility.

3 (vii) HIGH QUALITY AND ACCES-
4 SIBLE.—The housing is of high quality and
5 accessible to all people regardless of age,
6 physical need, or other factors.

7 (viii) TENANT SECURITY.—The hous-
8 ing provides renter protections to resi-
9 dents.

10 (B) PUBLIC HOUSING.—The Authority
11 may provide any funding or support to public
12 housing that is necessary for the public housing
13 to meet the requirements under subparagraph
14 (A), consistent with the rules and regulations
15 that are otherwise applicable to public housing.

16 (17) PERMANENTLY AFFORDABLE SOCIAL
17 HOUSING USE RESTRICTION.—The term “perma-
18 nently affordable social housing use restriction”,
19 with respect to real property, means a use restric-
20 tion, established by the Secretary by rulemaking
21 after notice and an opportunity for public comment,
22 that ensures that the property complies with the re-
23 quirements under subparagraph (A) of the definition
24 of “permanently affordable social housing”.

1 (18) PUBLIC HOUSING.—The term “public
2 housing” means housing assisted under section 9 of
3 the United States Housing Act of 1937 (42 U.S.C.
4 1437g).

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

9 (20) RESIDENT-OWNED COOPERATIVE.—The
10 term “resident-owned cooperative” means a non-
11 profit entity that supports shared-equity homeown-
12 ship that—

13 (A) has as a primary purpose the provision
14 and maintenance of owner-occupied housing
15 that provides long-term affordability for low-in-
16 come families and moderate-income families;

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

22 (i) keeps the housing permanently af-
23 fordable to low-income families and mod-
24 erate-income families; and

1 (ii) enables low-income families and
2 moderate-income families to purchase the
3 housing for homeownership; and

4 (C) maintains preemptive purchase options
5 to purchase the property so the housing re-
6 mains affordable to low-income families and
7 moderate-income families.

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

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

16 (A) will result in proceeds in an amount
17 that is less than the remaining amount due
18 under the mortgage loan; and

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

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

- 1 (A) provision of tenant organizing tech-
2 nical assistance;
- 3 (B) establishment and operation of a child
4 care services program;
- 5 (C) establishment and operation of an em-
6 ployment assistance program;
- 7 (D) provision of outpatient health services,
8 food, and case management;
- 9 (E) provision of mental health services and
10 victim services;
- 11 (F) provision of assistance in obtaining
12 other Federal, State, and local assistance avail-
13 able for residents of the project, including men-
14 tal health benefits, employment counseling, and
15 medical assistance;
- 16 (G) provision of transportation services
17 that facilitate the ability of an individual to ob-
18 tain and maintain employment and access
19 health care;
- 20 (H) provision of services for older adults;
- 21 (I) security services; and
- 22 (J) other services necessary to maintain
23 housing and sustain a quality housing commu-
24 nity.

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

4 (A) that seeks to—

5 (i) promote the collective interests and
6 rights of the tenants;

7 (ii) improve housing conditions;

8 (iii) build renter authority; and

9 (iv) advocate for policy changes for
10 the benefit of tenants; and

11 (B) which may be organized with respect

12 to—

13 (i) housing sharing the same landlord
14 or building; or

15 (ii) housing having different landlords
16 or buildings.

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

22 (26) UNDERSERVED COMMUNITY.—The term
23 “underserved community” means a population shar-
24 ing a particular characteristic, or a geographic com-
25 munity, that—

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

4 (B) may include—

5 (i) Black, Latino, and Indigenous and
6 Native American persons, Asian Americans
7 and Pacific Islanders, and other persons of
8 color;

9 (ii) members of religious minorities;

10 (iii) lesbian, gay, bisexual,
11 transgender, and queer (commonly known
12 as “LGBTQ+”) persons;

13 (iv) persons with disabilities;

14 (v) persons who live in rural areas;

15 and

16 (vi) persons otherwise adversely af-
17 fected by persistent poverty or inequality.

18 (b) INCOME LEVELS.—

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

21 (A) the term “moderate-income family”
22 means a family that satisfies the definition of
23 the term “persons of moderate income” in sec-
24 tion 102(a) of the Housing and Community De-
25 velopment Act of 1974 (42 U.S.C. 5302(a));

1 (B) the term “low-income family” means a
2 family that satisfies the definition of the term
3 “persons of low income” in section 102(a) of
4 the Housing and Community Development Act
5 of 1974 (42 U.S.C. 5302(a)); and

6 (C) the term “extremely low-income fam-
7 ily” means a family that satisfies the definition
8 of the term “extremely low-income families” in
9 section 3(b)(2) of the United States Housing
10 Act of 1937 (42 U.S.C. 1437a(b)(2)).

11 (2) AUTHORITY OF SECRETARY TO ESTABLISH
12 VARIATIONS.—For purposes of paragraph (1) and
13 subject to the considerations described in section
14 7(c)(4), the Secretary may establish a percentage of
15 median income for a term defined in paragraph (1)
16 of this subsection for any area that is higher or
17 lower than the percentage set forth in the applicable
18 provision of law referenced in such paragraph (1) if
19 the Secretary finds the variation to be necessary be-
20 cause of unusually high or low family incomes or
21 cost of living in the area.

22 **SEC. 4. ESTABLISHMENT OF AUTHORITY.**

23 (a) ESTABLISHMENT.—

24 (1) IN GENERAL.—There is established within
25 the Department of Housing and Urban Development

1 an independent authority to be known as the “Hous-
2 ing Development Authority”, to carry out the pur-
3 poses set forth in section 5.

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

11 (3) AUTONOMY.—Notwithstanding any other
12 provision of law, including the Department of Hous-
13 ing and Urban Development Act of 1965 (42 U.S.C.
14 3531 et seq.), the Secretary may not—

15 (A) intervene in any matter or proceeding
16 before the Authority; or

17 (B) merge or consolidate the Authority, or
18 any of the functions or responsibilities of the
19 Authority, with any division or office of the De-
20 partment.

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

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

4 (c) BOARD.—

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

7 (2) MEMBERSHIP.—

8 (A) IN GENERAL.—The Board shall consist
9 of 15 members appointed by the President, by
10 and with the advice and consent of the Senate,
11 one of whom the President shall designate as
12 chairperson.

13 (B) TYPES OF APPOINTMENTS.—Of the 15
14 members of the Board—

15 (i) 9 shall be appointed under sub-
16 paragraph (C); and

17 (ii) 6 shall be appointed under sub-
18 paragraph (D).

19 (C) STAKEHOLDER MEMBERS.—

20 (i) IN GENERAL.—Of the 9 members
21 of the Board appointed under this sub-
22 paragraph (referred to in this subsection
23 as “stakeholder members”)—

24 (I) 2 shall be appointed from
25 among the officers of Federal agencies

1 who have experience and expertise
2 with affordable and low-income hous-
3 ing and community development and
4 financing, but at no time may more
5 than 1 member be from any single
6 such agency;

7 (II) 2 shall represent labor orga-
8 nizations, as that term is defined in
9 section 2 of the National Labor Rela-
10 tions Act (29 U.S.C. 152), of which
11 building and construction employees
12 are members;

13 (III) 2 shall have expertise in
14 housing finance, housing development,
15 or housing management;

16 (IV) 2 shall have technical exper-
17 tise in architecture, affordable housing
18 construction and financing, urban
19 planning, or engineering; and

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

22 (ii) ENVIRONMENTAL EXPERTISE; DI-
23 VERSE EXPERIENCE.—In appointing mem-
24 bers under clause (i), the President—

1 (I) shall appoint not less than 1
 2 individual who has extensive expertise
 3 in climate, environmental justice, or
 4 sustainable building; and

5 (II) shall appoint a mix of indi-
 6 viduals with experience in rural,
 7 urban, and Native communities.

8 (D) RESIDENT MEMBERS.—

9 (i) IN GENERAL.—The 6 members of
 10 the Board appointed under this subpara-
 11 graph (referred to in this subsection as
 12 “resident Board members”) shall be resi-
 13 dents of public housing or permanently af-
 14 fordable social housing.

15 (ii) NOTICE OF EXPIRATION OF
 16 TERM.—The Authority shall publish notice
 17 of the expiration of the term of a resident
 18 Board member not later than 90 days be-
 19 fore the date of the expiration.

20 (iii) VACANCIES.—If a vacancy occurs
 21 during the term of a resident Board mem-
 22 ber—

23 (I) the Authority shall publish
 24 notice of the vacancy not later than

1 10 business days after the vacancy oc-
2 curs; and

3 (II) the President shall appoint
4 the successor resident Board member
5 within a reasonable time after the ex-
6 piration of 60 days following the pro-
7 vision of notice under subclause (I).

8 (3) TERMS.—

9 (A) IN GENERAL.—A member of the Board
10 shall serve for a term of 4 years or until the
11 member's successor has been appointed, except
12 as provided in subparagraphs (B) and (C).

13 (B) TERMS OF INITIAL APPOINTEES.—As
14 designated by the President at the time of ap-
15 pointment—

16 (i) of the stakeholder members first
17 appointed in accordance with paragraph
18 (2)(C)—

19 (I) 4 shall be appointed for terms
20 of 2 years each; and

21 (II) 5 shall be appointed for
22 terms of 4 years each; and

23 (ii) of the resident members first ap-
24 pointed in accordance with paragraph
25 (2)(D)—

1 (I) 3 shall be appointed for terms
2 of 4 years each; and

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

5 (C) VACANCY.—

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

13 (ii) SERVICE AFTER EXPIRATION OF
14 TERM.—A member of the Board may serve
15 after the expiration of that member's term
16 until a successor has taken office.

17 (iii) FILLING OF VACANCIES.—A va-
18 cancy in the Board shall be filled in the
19 manner in which the original appointment
20 was made.

21 (4) PROHIBITION.—No part of any earnings of
22 the Authority shall inure to the benefit of any mem-
23 ber of the Board.

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

1 (6) COMPREHENSIVE TRAINING PROGRAM FOR
2 BOARD MEMBERS; TECHNICAL ASSISTANCE TRAIN-
3 ING FOR RESIDENT BOARD MEMBERS.—

4 (A) REQUIREMENT.—Each member of the
5 Board shall complete a training program, as de-
6 veloped by the Authority—

7 (i) not later than 90 days after being
8 appointed or reappointed to the Board;
9 and

10 (ii) not less frequently than once every
11 2 years thereafter.

12 (B) ESTABLISHMENT OF PROGRAM.—The
13 Authority shall establish and implement a com-
14 prehensive training program for members of the
15 Board on the proper management of the Au-
16 thority, including applicable laws and topics re-
17 lating to—

- 18 (i) open meetings;
19 (ii) public records;
20 (iii) conflicts of interest;
21 (iv) uniform procurement;
22 (v) housing finance;
23 (vi) fraud prevention;
24 (vii) fiduciary responsibilities;
25 (viii) fair housing;

1 (ix) tenant selection, occupancy, and
2 participation policies;

3 (x) prohibiting discrimination in hous-
4 ing; and

5 (xi) best practices relating to the gen-
6 eral inspection, maintenance, and repair of
7 dwelling units and capital improvements in
8 public housing and other social housing.

9 (C) TECHNICAL ASSISTANCE.—

10 (i) TRAINING FOR RESIDENT BOARD
11 MEMBERS.—The Authority shall provide
12 independent technical assistance training
13 to resident Board members with the goal
14 of enabling resident Board members and
15 members of tenant organizations to partici-
16 pate fully in the oversight of the
17 Authority's operation and capital planning.

18 (ii) TRAINING FOR RESIDENTS GEN-
19 ERALLY.—The Authority shall permit resi-
20 dents of public housing and social housing
21 who are not members of the Board to at-
22 tend technical assistance training provided
23 under clause (i).

24 (iii) DEVELOPMENT OF TRAINING
25 PROGRAM.—The Authority shall develop

1 the training program provided under
2 clause (i) in consultation with—

3 (I) the Secretary;

4 (II) government officials;

5 (III) residents of public housing
6 and social housing; and

7 (IV) public housing and social
8 housing advocacy and industry profes-
9 sional organizations.

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

11 (1) IN GENERAL.—The Authority may issue
12 bonds guaranteed by the United States to carry out
13 the purposes of this Act, which bonds shall be legal
14 investments for—

15 (A) the deposits and the income derived
16 therefrom of savings banks;

17 (B) the trust funds of trust companies;

18 (C) the capital and other funds of insur-
19 ance companies; and

20 (D) funds over which the Department of
21 the Treasury has exclusive control.

22 (2) NEGOTIABLE INSTRUMENTS.—The bonds,
23 notes, and certificates of indebtedness under this
24 subsection shall constitute negotiable instruments
25 for all purposes.

1 (3) OTHER CHARACTERISTICS.—The bonds,
2 notes, and certificates of indebtedness under this
3 subsection—

4 (A) may be payable from the income of the
5 Authority or constitute a general obligation
6 thereof;

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

9 (C) may contain any covenants, terms, and
10 conditions, as determined by the Authority, that
11 are not inconsistent with law; and

12 (D) may be issued with or without the cor-
13 porate seal.

14 (e) BYLAWS, RULES, AND REGULATIONS.—The
15 Board may make such bylaws, rules, and regulations, not
16 inconsistent with this Act, as may be necessary for the
17 proper conduct of the affairs of the Authority, including
18 provisions for—

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

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

22 (f) OFFICERS AND EMPLOYEES.—

23 (1) IN GENERAL.—The Authority may select,
24 employ, and fix the compensation of such officers,
25 employees, attorneys, or agents as shall be necessary

1 for the performance of the duties of the Authority
2 under this Act, without regard to the provisions of
3 other laws applicable to the employment or com-
4 pensation of officers, employees, attorneys, or agents
5 of the United States, notwithstanding section
6 4(a)(2).

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

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

12 (1) shall pay such proportion of the salary and
13 expenses of the members of the Board, including
14 resident Board members, and of its officers and em-
15 ployees as the Board may determine to be equitable,
16 including childcare, transportation, and any other
17 necessary accommodations; and

18 (2) may operate out of the physical locations of
19 each of the Federal Home Loan Banks, upon mak-
20 ing reasonable compensation to the Federal Home
21 Loan Bank, as determined by the Board.

22 (h) OFFICES.—The Board may establish a principal
23 office and regional offices of the Authority as the Board
24 considers appropriate to carry out the responsibilities of
25 the Authority.

1 (i) USE OF MAILS.—The Authority may use the
2 United States mails in the same manner and under the
3 same conditions as other departments and agencies of the
4 United States.

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

8 (k) TECHNOLOGY INFRASTRUCTURE.—

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

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

14 (i) the guidelines outlined in the U.S.
15 Web Design Standards maintained by the
16 General Services Administration and the
17 Digital Services Playbook and TechFAR
18 Handbook for Procuring Digital Services
19 Using Agile Processes of the U.S. Digital
20 Service; and

21 (ii) the relevant successor documents
22 or recommendations of the guidelines de-
23 scribed in clause (i);

24 (B) use modern, relevant privacy- and se-
25 curity-enhancing technology; and

1 (C) plan for the ongoing operations and
2 maintenance of its systems and products to en-
3 sure their ongoing capability.

4 (2) 21ST CENTURY INTEGRATED DIGITAL EXPE-
5 RIENCE ACT.—The 21st Century Integrated Digital
6 Experience Act (44 U.S.C. 3501 note; Public Law
7 115–336) shall apply to the Authority in the same
8 manner as that Act applies to an Executive agency,
9 except that—

10 (A) any reference in that Act to the head
11 of an Executive agency shall be deemed to be
12 a reference to the Board; and

13 (B) any reference in that Act to the Chief
14 Information Officer of an Executive agency
15 shall be deemed to be a reference to an equiva-
16 lent employee of the Authority.

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

18 The purposes of the Authority shall be to—

19 (1) acquire real estate, public land, corporate-
20 owned vacant properties, including vacant, blighted,
21 or underutilized developments, and publicly assisted
22 or privately owned properties with liens, fees, or tax
23 violations for the purpose of—

1 (A) providing adequate housing for ex-
2 tremely low-income families, low-income fami-
3 lies, and moderate-income families;

4 (B) preventing involuntary displacement of
5 families; and

6 (C) stabilizing communities, including un-
7 derserved communities that have experienced
8 historical legacies of exclusion;

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

11 (A) preserve, modernize, and enhance the
12 value, affordability, habitability, climate resil-
13 iency, energy efficiency, environmental sustain-
14 ability, and residential and community amen-
15 ities for current and future occupants of the
16 real property; and

17 (B) contribute to the economic and social
18 conditions of the surrounding community;

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

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

1 (A) using low-embodied carbon construc-
2 tion materials, as determined using a Type III
3 Environmental Product Declaration (or a suc-
4 cessor document) and in coordination with the
5 Administrator of the Environmental Protection
6 Agency;

7 (B) encouraging zero indoor or outdoor air
8 emissions;

9 (C) ensuring accessibility of the property
10 in accordance with—

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

13 (ii) titles II and III of the Americans
14 with Disabilities Act of 1990 (42 U.S.C.
15 12131 et seq.; 42 U.S.C. 12181 et seq.);

16 (iii) the Architectural Barriers Act of
17 1968 (42 U.S.C. 4151 et seq.); and

18 (iv) the requirements under section
19 804(f)(3)(C) of the Fair Housing Act (42
20 U.S.C. 3604(f)(3)(C)) relating to design
21 and construction;

22 (D) reflecting the highest international ar-
23 chitectural standards and the architectural
24 standards of the neighborhood and the commu-
25 nity in which the real property is situated; and

1 (E) employing innovative design principles
2 and materials to advance public safety, fire
3 safety and social infrastructure;

4 (5) advance the streamlining of construction
5 procedures and development processes, which shall
6 include engaging with jurisdictions on permitting
7 and zoning reform, within and across all levels of
8 government to reduce project time and cost burden,
9 while maintaining high-quality standards;

10 (6) establish and use model policies and proce-
11 dures for engaging community members, including
12 community members at highest risk of housing dis-
13 placement and unaffordability, and local govern-
14 ments to ensure projects leverage community exper-
15 tise and responsive feedback to accurately and equi-
16 tably assess and address local or regional needs for
17 additional housing;

18 (7) convey acquired real property to eligible en-
19 tities that will use it to guarantee affordable, habit-
20 able, and environmentally sustainable housing to ex-
21 tremely low-income families, low-income families,
22 and moderate-income families;

23 (8) finance and support the transfer of acquired
24 property to eligible entities, which may include tech-

1 nical assistance, administrative support, or ongoing
2 operational support;

3 (9) provide an appropriate and expedient man-
4 ner for owners of distressed properties to transfer
5 ownership of those properties to the Authority;

6 (10) stabilize neighborhoods by reducing—

7 (A) foreclosures; and

8 (B) blighted or neglected real property;

9 (11) across the portfolio of the Authority's
10 properties, encourage a range of housing types that
11 accommodate homeless families, families at risk of
12 homelessness, and extremely low-income families,
13 low-income families, and moderate-income families
14 unable to afford market rents;

15 (12) promote intentional placement of housing
16 in a balance of neighborhoods affording future resi-
17 dents choice in where they live, which may include
18 proximity to work, transit, childcare, education,
19 healthcare, access to food, and culturally relevant
20 community resources;

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

22 (A) the quality of comparable dwelling
23 units does not materially differ between units at
24 various price levels;

1 (B) access to services and facilities does
2 not materially differ between units at various
3 price levels; and

4 (C) units at various price levels are not—
5 (i) physically located apart from one
6 another; or

7 (ii) outwardly identifiable according to
8 affordability level;

9 (14) establish dignified, accessible, and stream-
10 lined processes for residents that minimize informa-
11 tion collection burden, ensure privacy, and reduce
12 barriers to accessing and maintaining affordable
13 housing;

14 (15) coordinate with the Secretary of Health
15 and Human Services, the Secretary of Agriculture,
16 and the Secretary of Education to facilitate collabo-
17 rative or co-located supportive service programs,
18 which may include—

19 (A) childcare and early childhood edu-
20 cation;

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

22 (C) food and nutrition programs;

23 (D) health care programs;

24 (E) programs for older adults; and

25 (F) other programs;

1 (16) acquire housing that enables the Authority
2 to assist people who wish to voluntarily relocate out
3 of areas at high risk for extreme weather and into
4 safer, affordable housing;

5 (17) in areas affected by a natural disaster or
6 emergency declaration, acquire housing and assist
7 with relocation and the provision of safe, affordable
8 housing;

9 (18) encourage public land banking for perma-
10 nently affordable social housing;

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

13 (20) provide relief to mortgage borrowers experi-
14 encing risk of foreclosure and preserve homeownership
15 in times of economic distress or market insta-
16 bility; and

17 (21) affirmatively further fair housing by over-
18 coming patterns of segregation, eliminating inequi-
19 ties in access to housing and related community as-
20 sets, and fostering inclusive communities free from
21 barriers that restrict access to opportunity based on
22 protected characteristics.

23 **SEC. 6. POWERS AND DUTIES.**

24 (a) ACQUISITION AND PURCHASE.—

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

5 (2) RIGHTS OF FIRST NEGOTIATION, OFFER,
6 AND REFUSAL.—

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

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

21 (ii) any associated amount of Federal,
22 State, or local tax or other contractual li-
23 ability projected to be imposed as a result
24 of the sale, disposition, transfer, or other

1 conveyance of the real property to the Au-
2 thority under this subsection.

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

12 (3) EMINENT DOMAIN.—

13 (A) POWER.—The Authority may acquire
14 properties for the purposes described in section
15 5 by the exercise of the right of eminent do-
16 main in a court of competent jurisdiction.

17 (B) SCOPE OF POWER.—The Authority—

18 (i) shall use the eminent domain
19 power of the Authority—

20 (I) in a manner consistent with
21 the purposes described in section 5;
22 and

23 (II) to preserve and create social
24 housing; and

1 (ii) may use the eminent domain
2 power of the Authority—

3 (I) if residents of federally as-
4 sisted housing form a tenant organi-
5 zation and petition the Authority to
6 acquire the property;

7 (II) if a State or local govern-
8 ment is seeking to block the develop-
9 ment of affordable housing (including
10 a project not already supported by the
11 Authority); or

12 (III) to support transit-oriented
13 development.

14 (C) PROHIBITED USES.—The Authority
15 may not use the eminent domain power of the
16 Authority—

17 (i) for widespread displacement of in-
18 dividuals or families;

19 (ii) for the destruction of commu-
20 nities;

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

23 (iv) for the development of a highway
24 or other similar infrastructure project that

1 is ancillary to or not required for the pres-
2 ervation or creation of affordable housing.

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

5 (i) meaningfully engage with commu-
6 nities affected by the use of the eminent
7 domain power;

8 (ii) enter into community benefit
9 agreements to ensure displacement through
10 the use of the eminent domain power is
11 minimized; and

12 (iii) provide reasonable alternatives
13 for any individuals displaced or potentially
14 harmed by the use of the eminent domain
15 power.

16 (4) RECEIVERSHIP.—The Authority may, not-
17 withstanding any other provision of law, take over as
18 receiver for residential real estate properties, if ap-
19 pointed by the court or official authorized under law
20 to appoint a receiver for a financial institution, pub-
21 lic housing agency, or other entity, to ensure mainte-
22 nance of quality for the benefit of the inhabitants
23 and the community, including undertaking mainte-
24 nance and renovation activities necessary to main-
25 tain or achieve compliance with applicable building,

1 safety, health, and habitability codes and require-
2 ments.

3 (b) OPERATION AND MANAGEMENT.—The Authority
4 may—

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

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

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

16 (A) energy efficiency, including—

17 (i) installing energy efficient windows;

18 (ii) super-insulating roofs and exterior
19 walls;

20 (iii) electrifying water heating;

21 (iv) installing electric heat pumps for
22 heating or air conditioning; and

23 (v) increasing the airtightness of
24 building envelopes, heat recovery systems,
25 and ventilation systems;

1 (B) remediation to—

2 (i) eliminate any mold, asbestos, lead-
3 based paint, lead-based paint hazards, lead
4 pipes, radon, or other toxins or contami-
5 nants in the real property or otherwise af-
6 fecting residents of the real property; and

7 (ii) utilize least toxic building mate-
8 rials;

9 (C) in-unit efficiency upgrades, including
10 installing energy efficient insulation and effi-
11 cient and all-electric appliances;

12 (D) providing drinking water, including re-
13 placing pipes and ensuring compliance with the
14 Safe Drinking Water Act (42 U.S.C. 300f et
15 seq.) and other applicable standards of the En-
16 vironmental Protection Agency;

17 (E) energy systems, including installing re-
18 newable energy rooftops, renewable energy gen-
19 eration, and photovoltaic glass windows, pur-
20 chasing clean energy grid supply in bulk, and
21 investing in community-scale energy systems;

22 (F) emergency response, including install-
23 ing battery storage for backup and rigid foam
24 wall insulation in hurricane and earthquake-
25 prone areas to create shear walls and resistance

1 to structural damage from walls tilting or fall-
2 ing during high winds or earthquakes;

3 (G) transportation, including providing
4 dedicated infrastructure for transportation by
5 bicycle, electric bicycle, micromobility, or elec-
6 tric vehicles, including charging stations; and

7 (H) otherwise meeting minimum property
8 standards established by the Authority or the
9 Secretary.

10 (c) SUPPORT TO ELIGIBLE ENTITIES.—

11 (1) IN GENERAL.—The Authority—

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

16 (B) may not convey real property that is
17 uninhabitable under this subsection unless the
18 Authority has—

19 (i) taken any actions necessary to
20 bring the real property into compliance
21 with applicable building, safety, health,
22 and habitability codes and requirements; or

23 (ii) entered into such agreements with
24 the conveyee sufficient to ensure that any
25 actions necessary to bring the real prop-

1 erty into compliance with applicable build-
2 ing, safety, health, and habitability codes
3 and requirements will be taken before the
4 property is occupied;

5 (C) finance or assist in financing the ac-
6 quisition of residential real estate properties by
7 eligible entities under paragraph (2) for use as
8 affordable housing;

9 (D) contract directly with any eligible enti-
10 ty for the purpose of developing and managing
11 an affordable housing project involving the pur-
12 chase or acquisition of the right to use com-
13 pleted or remodeled dwelling units, including
14 condominium units, individual buildings that
15 are part of a larger development, or a portion
16 of the units in a multifamily development, or
17 the construction of new buildings, except that—

18 (i) the project shall be subject to rules
19 and regulations promulgated by the Au-
20 thority, which shall include a procedure for
21 providing public notice of the availability of
22 funding and a ranking of priority for
23 projects according to criteria for selection;

24 (ii) the project shall seek to reason-
25 ably comply with any applicable laws, ordi-

1 nances, and regulations of the State and
2 political subdivision thereof in which the
3 project is located, relating to the construc-
4 tion and repair of buildings, zoning, and
5 the protection of public health; and

6 (iii) the project budget may include
7 capital funds to establish spaces for sup-
8 portive services and funds to provide such
9 services.

10 (2) ELIGIBLE ENTITIES.—

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

14 (i) A mission-driven nonprofit organi-
15 zation that—

16 (I) has as one of its primary pur-
17 poses—

18 (aa) the provision of housing
19 that is affordable to low-income
20 families and moderate-income
21 families; or

22 (bb) the provision of evi-
23 dence-based supportive services,
24 shelter, or housing assistance for

1 homeless persons or families or
2 those at risk of homelessness; or

3 (II) is otherwise considered by
4 the Authority as a suitable purchaser.

5 (ii) A tenant organization, resident-
6 owned cooperative, or community-led devel-
7 opment organization.

8 (iii) A public housing agency.

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

11 (v) A community land trust.

12 (vi) Such other entities considered by
13 the Authority as suitable conveyees.

14 (B) INELIGIBLE ENTITIES.—

15 (i) IN GENERAL.—The Authority shall
16 establish standards for excluding entities
17 from eligibility under subparagraph (A) as
18 appropriate to ensure the preservation and
19 permanent affordability of housing and
20 protection of residents.

21 (ii) MAINTENANCE OF NONPROFIT
22 ELIGIBILITY.—The Authority shall estab-
23 lish procedures to ensure that any eligible
24 entity that is a nonprofit organization, and
25 to which a real property is conveyed under

1 this subsection, maintains its nonprofit
2 status under section 501(c)(3) of the In-
3 ternal Revenue Code of 1986.

4 (C) USE RESTRICTIONS.—A conveyance
5 under this subsection shall all be accompanied
6 by a permanently affordable social housing use
7 restriction.

8 (D) REQUIREMENT.—An eligible entity
9 may receive conveyance of a real property or
10 mortgage under this subsection only if the eligi-
11 ble entity enters into such binding agreements
12 as the Authority considers necessary to ensure
13 that the property involved—

14 (i) is used as permanently affordable
15 housing; and

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

18 (E) REVERSIONARY INTEREST.—

19 (i) IN GENERAL.—The Authority shall
20 hold a reversionary interest in each real
21 property the Authority conveys to an eligi-
22 ble entity under this subsection, with the
23 power to reclaim a real property if the eli-
24 gible entity is found to have violated the

1 permanently affordable social housing use
2 restriction.

3 (ii) COMPENSATION.—If the Authority
4 exercises the reversionary interest under
5 clause (i) on a real property, the Authority
6 shall, at the time the Authority exercises
7 the reversionary interest, compensate each
8 stakeholder who holds limited equity in the
9 real property.

10 (iii) EXCEPTION FOR PUBLIC HOUS-
11 ING.—Clause (i) shall not apply to a real
12 property that the Authority conveys to an
13 eligible entity under this subsection for use
14 as public housing.

15 (F) LIMITED EQUITY.—A resident of a
16 real property acquired under this subsection by
17 an eligible entity may purchase limited equity in
18 the real property, at the discretion of the eligi-
19 ble entity.

20 (G) LIMITS ON PROFIT.—An eligible entity
21 or stakeholder claiming limited equity in a real
22 property conveyed by the Authority under this
23 subsection shall limit the sum of profit that
24 may be taken on leasehold interests and any
25 shares of stock, equity, or other financial inter-

1 est in the property to a rate of 2 percent per
2 year, compounded annually and adjusted for in-
3 flation.

4 (d) FINANCING.—

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

8 (2) DISTRESSED MORTGAGES.—The Authority
9 may seek to recoup any losses incurred on a dis-
10 tressed mortgage acquired under paragraph (1) from
11 the responsible party if the Authority determines,
12 not later than 5 years after acquisition, that the
13 mortgage fell into distress due to—

14 (A) unfair or abusive terms or practices;

15 (B) fraud or deception; or

16 (C) equity stripping or other such actions
17 taken by an individual who constructively owns
18 the real property or exercises control over the
19 real property.

20 (3) FINANCING TENANT PURCHASES.—The Au-
21 thority shall provide technical assistance and financ-
22 ing to support the purchase of rental properties by
23 tenant organizations and community land trusts, re-
24 gardless of incorporation status, under section 7 and
25 otherwise, which may include financing such repairs

1 and improvements as may be necessary to comply
2 with subsection (c)(1)(B)(ii) of this section.

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

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

9 (2) for owners of distressed real estate assets to
10 provide notice of the availability of, and to market,
11 such assets to the Authority; and

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

14 (f) RULEMAKING.—The Authority may promulgate
15 any regulations necessary to carry out the powers, duties,
16 and functions of the Authority.

17 (g) ANNUAL REPORT TO CONGRESS.—The Authority
18 shall annually provide a report to Congress evaluating the
19 effectiveness of the Authority’s actions.

20 (h) PRESERVATION OF AFFORDABILITY.—The Au-
21 thority may monitor the affordability of homeownership
22 and adopt internal policies or recommend congressional
23 action, as needed, to preserve affordability.

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

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

4 (1) the Authority acting pursuant to section
5 6(b)(2); and

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

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

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

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

17 (A) families who are homeless or at risk-
18 of homelessness; and

19 (B) extremely low-income families, low-in-
20 come families, and moderate-income families;

21 (2) ensure that not less than 40 percent of
22 dwelling units are set aside for extremely low-income
23 families in newly constructed units of permanently
24 affordable social housing or other housing units pre-
25 served or rehabilitated as permanently affordable so-
26 cial housing;

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

4 (4) take into consideration—

5 (A) requirements for affordable housing
6 under other programs for assistance for afford-
7 able housing;

8 (B) Federal income thresholds in section
9 215(a) of the Cranston-Gonzalez National Af-
10 fordable Housing Act (42 U.S.C. 12745(a));

11 (C) neighborhood-scale rental markets,
12 which may include Small Area Fair Market
13 Rent standards published by the Department;
14 and

15 (D) household financial expenditures, bur-
16 dens, or costs, and historical legacies of exclu-
17 sion, due to which the Secretary may establish
18 new, comprehensive income thresholds, more
19 generous than the thresholds described in sub-
20 clause (II) as reasonably feasible and in accord-
21 ance with financial sustainability.

22 (d) RENTS.—

23 (1) INITIAL RENT.—A social housing provider
24 shall set the initial annual rent plus the sum of fees
25 charged to a household living in permanently afford-

1 able social housing at 25 percent of the adjusted
2 gross income of the household.

3 (2) INCREASES.—An increase in rent for a
4 property described in paragraph (1) may not exceed
5 the lesser of—

6 (A) 3 percent per year; or

7 (B) the percentage increase (if any) in the
8 Consumer Price Index since the previous rent
9 increase.

10 (3) RECALIBRATION.—Rent for a property de-
11 scribed in paragraph (1) shall be recalibrated to 25
12 percent of the household’s adjusted gross income—

13 (A) not less frequently than once every 5
14 years;

15 (B) when the household’s adjusted gross
16 income, as defined by the Secretary, changes by
17 10 percent or more; and

18 (C) when the household requests a re-
19 calibration due to economic hardship under a
20 process established by the Authority.

21 (4) PUBLIC HOUSING RENTAL GUIDELINES AND
22 FORMULA.—The rental guidelines and formula de-
23 scribed in section 3(a) of the United States Housing
24 Act of 1937 (42 U.S.C. 1437a(a)) shall supersede
25 paragraphs (1), (2), and (3) of this subsection with

1 respect to rent for a real property conveyed to a
2 public housing agency under section 7(e) for use and
3 operation as public housing.

4 (e) RESIDENT, APPLICANT, AND TENANT PROTEC-
5 TIONS.—

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

9 (2) JUST-CAUSE EVICTIONS.—

10 (A) IN GENERAL.—A social housing pro-
11 vider may not terminate or refuse to renew a
12 tenancy except for just cause and only pursuant
13 to advance written notice to the tenant and evi-
14 dence of such just cause, in accordance with
15 this subparagraph.

16 (B) DEFINITION OF JUST CAUSE.—For the
17 purposes of this paragraph, the term “just
18 cause” means—

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

21 (ii) no-fault just cause, as described in
22 subparagraph (D).

23 (C) AT-FAULT JUST-CAUSE.—

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

4 (I) The tenant's failure to pay
5 rent.

6 (II) The tenant's engagement in
7 serious criminal activity on the prem-
8 ises that poses an imminent and di-
9 rect threat to the health or safety of
10 other tenants.

11 (III) The tenant causing substan-
12 tial damage to the premises after
13 being issued a written notice to cor-
14 rect the violation.

15 (IV) The tenant maintaining,
16 committing, or permitting the mainte-
17 nance or commission of a nuisance at
18 the property.

19 (V) The tenant permitting the
20 premises to be used for a criminal
21 purpose.

22 (VI) The tenant's refusal to exe-
23 cute the social housing provider's re-
24 quest for a written extension or re-
25 newal of a lease based on terms simi-

1 lar to the terms of the tenant's prior
2 lease without an unreasonable rent in-
3 crease.

4 (VII) The tenant's refusal to de-
5 liver possession of the premises after
6 providing written notice to the social
7 housing provider of the intent to ter-
8minate the tenancy and after the so-
9cial housing provider's acceptance of
10 that notice.

11 (ii) NOTICE.—

12 (I) NOTICE OF VIOLATION.—Be-
13 fore a social housing provider issues a
14 notice to terminate a tenancy for at-
15 fault just cause based on a curable
16 lease violation, as defined by the Au-
17thority, the social housing provider
18 shall first give the tenant written no-
19 tice of the violation and the oppor-
20 tunity to cure the violation within a
21 reasonable period of time, subject to
22 the time periods specified in para-
23 graph (10)(A).

24 (II) NOTICE OF TERMINATION OF
25 TENANCY.—If a tenant does not cure

1 a violation within the reasonable pe-
 2 riod of time set forth in a notice
 3 under subclause (I), the social housing
 4 provider may serve the tenant with a
 5 notice of termination of tenancy with-
 6 out a further opportunity to cure the
 7 violation.

8 (III) UNCURABLE LEASE VIOLA-
 9 TIONS.—Nothing in this clause shall
 10 be construed to require notice in the
 11 case of an uncurable lease violation,
 12 as defined by the Authority.

13 (iii) UNREASONABLE RENT IN-
 14 CREASE.—For purposes of this subpara-
 15 graph, the term “unreasonable rent in-
 16 crease” means an increase in rent that ex-
 17 ceeds the lesser of—

18 (I) 3 percent per year; or

19 (II) the percentage increase (if
 20 any) in the Consumer Price Index
 21 since the previous rent increase.

22 (iv) LIMITATION.—

23 (I) IN GENERAL.—Notwith-
 24 standing clauses (i), (ii), and (iii), a
 25 social housing provider may not un-

1 fairly penalize an individual or an in-
2 dividual's household based on the indi-
3 vidual's criminal history or minor
4 legal infractions.

5 (II) AUTHORITY.—To carry out
6 subclause (I), the Authority, acting
7 through the Board by rulemaking
8 after notice and an opportunity for
9 public comment—

10 (aa) may define what activi-
11 ties, crimes, and convictions, if
12 any, may result in termination of
13 a lease or exclusion of a resident
14 from social housing; and

15 (bb) shall establish inclusive
16 procedures, policies, and regula-
17 tions to support the reintegration
18 of individuals with criminal
19 records into communities to en-
20 sure they have access to stable
21 housing.

22 (D) NO-FAULT JUST-CAUSE.—

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

1 (I) The social housing provider
2 intends to remove the dwelling unit
3 from the rental market or substan-
4 tially remodel or demolish the dwelling
5 unit.

6 (II) The social housing provider
7 is required to comply with a local or-
8 dinance or an order from a court or
9 other governmental entity which re-
10 quires the tenant to vacate the prop-
11 erty.

12 (ii) RELOCATION COSTS.—In the case
13 of a no-fault just cause termination of ten-
14 ancy, the evicting social housing provider
15 shall assist the tenant with relocation costs
16 regardless of the tenant's income by pro-
17 viding—

18 (I) a direct payment of 1 month's
19 rent; or

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

22 (E) NO WAIVER OF RIGHTS.—Any waiver
23 of rights provided by this paragraph shall be
24 void.

1 (3) PROHIBITING DISCRIMINATION ON THE
2 BASIS OF SOURCE OF INCOME.—

3 (A) PROHIBITION.—The Authority shall
4 ensure that with respect to any unit of perma-
5 nently affordable social housing, no person may
6 engage in any conduct because of the source of
7 income of a person that would be unlawful
8 under the Fair Housing Act (42 U.S.C. 3601 et
9 seq.) if the conduct were engaged in because of
10 a protected characteristic under that Act.

11 (B) SOURCE OF INCOME.—For purposes of
12 this subparagraph, the term “source of income”
13 includes—

14 (i) a housing voucher under section 8
15 of the United States Housing Act of 1937
16 (42 U.S.C. 1437f) and any form of Fed-
17 eral, State, or local housing assistance pro-
18 vided to a family or provided to a housing
19 owner on behalf of a family, including
20 rental vouchers, rental assistance, and
21 rental subsidies from nongovernmental or-
22 ganizations;

23 (ii) any amount received by an indi-
24 vidual (including any amount to which an
25 individual is entitled for which payment is

1 made to a representative payee) by reason
2 of entitlement to—

3 (I) a monthly benefit under title
4 II or XVI of the Social Security Act
5 (42 U.S.C. 401 et seq., 1381 et seq.);
6 or

7 (II) a benefit under the Railroad
8 Retirement Act of 1974 (45 U.S.C.
9 231 et seq.);

10 (iii) income received by court order,
11 including spousal support and child sup-
12 port;

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

15 (v) any other lawful source of income.

16 (4) ADMISSIONS RESTRICTIONS.—

17 (A) SCREENING.—A social housing pro-
18 vider may screen applicants for permanently af-
19 fordable social housing solely for the purpose of
20 determining their ability to pay rent or other-
21 wise comply with the material terms of the
22 lease, provided the screening process and cri-
23 teria comply with subparagraph (B).

1 (B) RULES AND PROCEDURES.—A social
2 housing provider may not discriminate in a
3 manner prohibited by—

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

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

8 (5) PROHIBITED BASES OF DISCRIMINATION.—
9 A social housing provider may not implement any
10 rules or procedures that deny or discriminate
11 against an eligible applicant for permanently afford-
12 able social housing solely on the basis of—

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

18 (B) credit history; or

19 (C) any other information that is not di-
20 rectly related to, or directly predictive of, an ap-
21 plicant’s ability to pay rent or otherwise comply
22 with the material terms of the lease.

23 (6) DEMOCRATIC CONTROL.—In the case of so-
24 cial housing that is a multifamily rental property,
25 tenants shall have control of living and operating

1 conditions in the property through a democratically
2 elected resident organization, board, or council.

3 (7) RESIDENT ASSOCIATIONS AND TENANT OR-
4 GANIZATIONS.—Residents of permanently affordable
5 social housing shall have the right to organize to
6 form resident associations and tenant organizations
7 with automatic bargaining rights to address issues
8 related to their living environment.

9 (8) RIGHT TO RETURN WITHOUT RE-SCREEN-
10 ING.—A household that must relocate from a dwell-
11 ing unit in a property temporarily due to the
12 Authority’s acquisition, rehabilitation, or demolition
13 of the property shall have a right to return to the
14 property and shall not be excluded from occupancy
15 based on any re-screening, income eligibility, or in-
16 come targeting.

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

1 (10) RESIDENT PROCEDURAL RIGHTS IN
2 LEASES.—

3 (A) IN GENERAL.—A lease for occupancy
4 of a dwelling unit in permanently affordable so-
5 cial housing shall incorporate each item under
6 this paragraph.

7 (B) TERMINATION NOTIFICATION.—The
8 social housing provider shall provide adequate
9 written notice of termination of the lease,
10 which—

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

13 (ii) if a tenant is engaging in serious
14 criminal activity on the premises that
15 poses an imminent and direct threat to the
16 health and safety of other tenants, may
17 not exceed 30 days.

18 (C) GRIEVANCE PROCESS.—

19 (i) OPPORTUNITY FOR INFORMATION
20 HEARING.—For any dispute, termination
21 of assistance, eviction, or other adverse de-
22 terminations related to a resident's ten-
23 ancy, welfare, or status, the social housing
24 provider shall provide the resident an op-
25 portunity for an informal hearing.

1 (ii) NOTICE OF OPPORTUNITY TO RE-
 2 QUEST INFORMAL HEARING.—A social
 3 housing provider shall provide residents
 4 notice of the opportunity to request an in-
 5 formal hearing described in clause (i).

6 (iii) RULE OF CONSTRUCTION.—This
 7 subparagraph shall not provide any right
 8 to an informal hearing for a class griev-
 9 ance or to settle a dispute between resi-
 10 dents not involving the social housing pro-
 11 vider.

12 (f) ADDITIONAL REQUIREMENTS FOR SOCIAL HOUS-
 13 ING PROVIDERS.—

14 (1) WAITING LIST.—

15 (A) IN GENERAL.—

16 (i) ESTABLISHMENT OF WAITING
 17 LISTS AND RESIDENT SELECTION AND
 18 TRANSFER POLICY.—

19 (I) WAITING LISTS.—The Au-
 20 thority shall establish—

21 (aa) a waiting list for all so-
 22 cial housing; or

23 (bb) a waiting list for each
 24 social housing site.

1 (II) RESIDENT SELECTION AND
2 TRANSFER POLICY.—The Authority
3 shall establish a resident selection and
4 transfer policy under which individ-
5 uals on an existing waiting list main-
6 tained by a public housing agency
7 may be transferred to a waiting list
8 established under subclause (I).

9 (ii) PRIORITY FOR RESIDENTS OF OC-
10 CUPIED PROPERTIES TO RESIDE IN PROP-
11 ERTY.—In the case of an occupied prop-
12 erty that is converted to social housing, ex-
13 isting tenants shall receive priority to live
14 in the social housing.

15 (iii) PUBLIC HOUSING.—The Author-
16 ity shall determine the best policies and
17 procedures to transition applicants from
18 any public housing waiting list to a social
19 housing waiting list established under
20 clause (i)(I), and shall consider—

21 (I) transferring applicants from
22 an existing site-based public housing
23 waiting list to a new site-based social
24 housing waiting list;

1 (II) transferring applicants from
2 an existing site-based public housing
3 waiting list to a waiting list for all so-
4 cial housing;

5 (III) transferring an existing
6 community-wide public housing wait-
7 ing list to a different community-wide
8 social housing waiting list; and

9 (IV) informing applicants on a
10 community-wide public housing wait-
11 ing list how to transfer their applica-
12 tion to 1 or more newly created site-
13 based social housing waiting lists.

14 (B) MEANS OF CONTACT.—The owner of a
15 real property being converted to permanently
16 affordable social housing and the social housing
17 provider may determine the most appropriate
18 means of informing applicants on any public
19 housing or social housing community-wide wait-
20 ing list in the community in which the property
21 is located about the opportunity to apply for, or
22 be transferred to a waiting list for, the new so-
23 cial housing, given the number of applicants,
24 available resources, and the admissions require-
25 ments of the property, including—

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

3 (ii) advertising the availability of
4 housing to the population that is less likely
5 to apply, both minority and non-minority
6 groups, through various forms of media
7 within the marketing area, such as radio
8 stations, posters, and newspapers;

9 (iii) informing local nonprofit entities
10 and advocacy groups, such as disability
11 rights groups; and

12 (iv) conducting other outreach as ap-
13 propriate.

14 (C) REQUIREMENTS.—

15 (i) PERSONS WITH DISABILITIES OR
16 LIMITED ENGLISH PROFICIENCY.—Any ac-
17 tivity by a social housing provider to con-
18 tact applicants on a public housing waiting
19 list or social housing waiting list shall be
20 conducted in a manner that ensures—

21 (I) effective communication with
22 persons with disabilities; and

23 (II) meaningful access for per-
24 sons with limited English proficiency

1 (which may include communications
2 in languages other than English).

3 (ii) SITE-BASED WAITING LIST.—

4 When using a site-based waiting list, a so-
5 cial housing provider shall consider waiting
6 list and transfer policies that expand op-
7 portunities for tenants seeking an emer-
8 gency transfer under, or consistent with,
9 the owner's emergency transfer plan, and
10 allowing for easier moves between assisted
11 properties.

12 (D) ADMINISTRATION.—After the initial
13 waiting list has been established for a social
14 housing property, the social housing provider
15 shall administer the waiting list in a manner
16 that facilitates the fair and uniform treatment
17 of applicants for, residents of, and units at the
18 property, in accordance with all applicable civil
19 rights and fair housing laws and regulations.

20 (2) ACCESS TO RECORDS.—A social housing
21 provider shall cooperate with any reasonable re-
22 quests for information made by the Authority (if ap-
23 plicable), an applicant, or a resident, including to
24 support the permanently affordable social housing

1 program evaluation, and including project financial
2 statements, operating data, and rehabilitation work.

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

5 (A) submit to the Authority annually an
6 operating budget for the permanently affordable
7 social housing and such other information as
8 the Authority considers necessary to assess the
9 financial health of the permanently affordable
10 social housing; and

11 (B) determine annually whether the per-
12 manently affordable social housing—

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

15 or

16 (ii) is in need of operating assistance,
17 including adequate capitalization of re-
18 serves for replacement, from the Authority.

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

24 (5) ECONOMIC OPPORTUNITIES FOR LOW- AND
25 VERY LOW-INCOME PERSONS.—The operation of per-

1 manently affordable social housing shall be consid-
2 ered a program that provides housing and commu-
3 nity development assistance for purposes of section
4 3 of the Housing and Urban Development Act of
5 1968 (12 U.S.C. 1701u).

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

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

15 (a) IN GENERAL.—In carrying out their respective
16 authorities under this Act, the Authority and each eligible
17 entity —

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

20 (A) substantially manufactured, mined,
21 and produced in the United States in accord-
22 ance with section 8302 of title 41, United
23 States Code (including the amendments to that
24 section made by the Build America, Buy Amer-
25 ica Act (subtitle A of title IX of division G of

1 the Infrastructure Investment and Jobs Act (41
2 U.S.C. 8301 note; Public Law 117–58)); and

3 (B) to protect workers and residents, in-
4 cluded in the Recommendations of Specifica-
5 tions, Standards, and Ecolabels for Federal
6 Purchasing list (or a successor document) de-
7 veloped under the Environmentally Preferable
8 Purchasing Program of the Environmental Pro-
9 tection Agency;

10 (2) shall ensure that all laborers and mechanics
11 employed by contractors or subcontractors in the
12 performance of construction, prosecution, comple-
13 tion, or repair work carried out, in whole or in part,
14 with assistance made available under this Act, in-
15 cluding negotiable instruments described in section
16 4(d), shall be paid wage rates not less than those
17 prevailing on projects of a similar character in the
18 locality, as determined by the Secretary of Labor, in
19 accordance with subchapter IV of chapter 31 of title
20 40, United States Code;

21 (3) with respect to any construction project for
22 which the total estimated cost of the construction is
23 \$25,000,000 or more, shall ensure each contractor
24 and subcontractor engaged in the construction on
25 the project agrees, for the project, to negotiate or

1 become a party to a project labor agreement as that
2 term is defined in section 22.502 of title 48, Code
3 of Federal Regulations (as in effect on the date of
4 enactment of this Act);

5 (4) may not hire employees through a tem-
6 porary staffing agency, unless the project is not
7 being carried out under a project labor agreement
8 and the relevant State workforce agency certifies
9 that temporary employees are necessary to address
10 an acute, short-term labor demand;

11 (5) shall implement measures to ensure that
12 outreach and recruitment efforts extend to local and
13 underrepresented communities, including through
14 support for pre-apprenticeship programs or the
15 adoption of local hire provisions to the extent per-
16 mitted by law;

17 (6) shall adopt—

18 (A) an explicit policy on any issue involv-
19 ing the organization of employees, including the
20 employees of all contractors and subcontractors
21 engaged in the construction on the project, for
22 purposes of collective bargaining, not to deter
23 the employees with respect to—

24 (i) labor organizing for the employees
25 engaged; and

1 (ii) the employees' choice to form and
2 join labor organizations;

3 (B) such policies that require—

4 (i) the posting and maintenance of no-
5 tices in the workplace to notify the employ-
6 ees of their rights under the National
7 Labor Relations Act (29 U.S.C. 151 et
8 seq.);

9 (ii) that the employees are, at the be-
10 ginning of their employment, provided no-
11 tice and information regarding the employ-
12 ees' rights under the National Labor Rela-
13 tions Act; and

14 (iii) an employer to voluntarily recog-
15 nize a labor organization in cases where a
16 majority of the employees have joined and
17 requested representation; and

18 (C) a safety and health program that in-
19 cludes all the core elements of a workplace safe-
20 ty and health program, as recommended by the
21 Occupational Safety and Health Administra-
22 tion;

23 (7) shall consider an individual performing any
24 service for the social housing provider, a contractor,

1 or subcontractor as an employee, and not an inde-
2 pendent contractor, unless—

3 (A) the individual is free from control and
4 direction in connection with the performance of
5 the service, both under the contract for the per-
6 formance of the service and in fact;

7 (B) the service is performed outside the
8 usual course of the business of the social hous-
9 ing provider, contractor, or subcontractor, re-
10 spectively; and

11 (C) the individual is customarily engaged
12 in an independently established trade, occupa-
13 tion, profession, or business of the same nature
14 as that involved in such service; and

15 (8) shall ensure that the installation, operation,
16 and maintenance of electric vehicle chargers by
17 qualified technicians meets the standards described
18 in section 680.106(j) of title 23, Code of Federal
19 Regulations, or any successor regulation.

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

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

7 **SEC. 9. DUTY TO SERVE.**

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

10 (b) EVALUATION AND REPORTING OF COMPLI-
11 ANCE.—

12 (1) EVALUATION METHOD.—The Authority
13 shall, by regulation, establish effective for 2025 and
14 each year thereafter a method for evaluating wheth-
15 er, and the extent to which, the Authority has com-
16 plied with the duty under subsection (a) and for rat-
17 ing the extent of such compliance.

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

23 (3) ANNUAL REPORT.—The Authority shall an-
24 nually publish and submitted to the Committee on
25 Banking, Housing, and Urban Affairs of the Senate

1 and the Committee on Financial Services of the
2 House of Representatives a report that contains the
3 evaluation and rating for the year as described in
4 paragraph (2).

5 **SEC. 10. COMMUNITY AND TENANT OPPORTUNITY TO PUR-**
6 **CHASE MULTIFAMILY RENTAL PROPERTIES.**

7 (a) DEFINITIONS.—In this section:

8 (1) APPROVED STATEMENT OF INTEREST.—

9 The term “approved statement of interest”, with re-
10 spect to a property, means a qualifying tenant orga-
11 nization’s statement of interest in purchasing the
12 property that has been approved by the Authority.

13 (2) COVERED RENTAL PROPERTY.—The term
14 “covered rental property”—

15 (A) means multifamily housing that con-
16 tains 3 or more separate rental dwelling units
17 and—

18 (i) received a credit under section 41
19 of the Internal Revenue Code of 1986 by
20 reason of subsection (h)(4)(B) of that sec-
21 tion;

22 (ii) has a mortgage made by the Sec-
23 retary of Agriculture under section 515 of
24 the Housing Act of 1949 (42 U.S.C.
25 1485);

1 (iii) has a distressed or nonperforming
2 mortgage loan held by the Federal Na-
3 tional Mortgage Association or the Federal
4 Home Loan Mortgage Authority;

5 (iv) secures a mortgage loan issued by
6 a member institution of a Federal Home
7 Loan Bank; or

8 (v) has a federally insured mortgage
9 and has an organization of tenants that
10 has demonstrated an interest in, and main-
11 tained an approved statement of interest
12 in, purchasing, subject to the application
13 process and procedures determined by the
14 Authority; and

15 (B) does not include a student housing
16 dormitory.

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

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

1 (5) QUALIFYING TENANT ORGANIZATION.—The
 2 term “qualifying tenant organization” means an in-
 3 corporated tenant organization.

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

6 (1) any transfer by devise or intestacy or any
 7 other transfer made in connection with a bona fide
 8 effort to pass an interest in real property to one’s
 9 devisees or heirs (including such a transfer made in
 10 connection with a living trust); or

11 (2) any transfer between or among spouses, do-
 12 mestic partners, siblings (including half-siblings,
 13 step-siblings, and adoptive siblings), parents (includ-
 14 ing step-parents and adoptive parents) or guardians
 15 and their children, grandparents and their grand-
 16 children, aunts or uncles and their nieces or neph-
 17 ews, great-aunts or great-uncles and their grand-
 18 nieces or grand-nephews, or first or second cousins,
 19 or any combination thereof.

20 (c) OBLIGATION TO PROVIDE NOTICE OF INTENT TO
 21 SELL.—

22 (1) IN GENERAL.—The owner of a covered rent-
 23 al property shall provide written notice to tenants
 24 and the Authority of the owner’s interest in selling,
 25 transferring, assigning, or conveying the property or

1 the mortgage on the property, as soon as is prac-
2 ticable in good faith.

3 (2) NOTICE PERIOD; PROCEDURES.—The owner
4 of a covered rental property may not sell, transfer,
5 assign, or convey the property or the mortgage on
6 the property, including by means of any short sale
7 or sale pursuant to foreclosure, unless the owner—

8 (A) provides written notice to tenants and
9 the Authority not later than 90 days before the
10 property or mortgage would be sold, trans-
11 ferred, assigned, or conveyed; and

12 (B) provides a first look, opportunity to
13 purchase, and right of first refusal to purchase
14 the property in accordance with the procedures
15 and requirements under subsection (d).

16 (d) ADDITIONAL OBLIGATIONS.—

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

19 (A) IN GENERAL.—During the 30-day pe-
20 riod beginning on the day after the last day of
21 the notice period, the owner of the covered rent-
22 al property shall provide eligible entities the
23 first opportunity to purchase the property.

24 (B) PRIORITY FOR ELIGIBLE ENTITIES.—

25 The owner of the covered rental property may

1 not offer the covered rental property for sale to
2 any other purchaser, solicit any offer or bid to
3 purchase the covered rental property, or other-
4 wise enter into a contract for the transfer, sale,
5 assignment, or conveyance of the covered rental
6 property until after the end of the first-look and
7 first opportunity to purchase period.

8 (2) PRIORITY OF FIRST LOOK AND OPPOR-
9 TUNITY TO PURCHASE.—

10 (A) IN GENERAL.—Any eligible entity
11 wishing to take advantage of the priority grant-
12 ed under paragraph (1) with respect to a cov-
13 ered rental property shall provide a notice of
14 offer of sale by the end of the first-look and
15 first opportunity to purchase period.

16 (B) ORDER OF PRIORITY.—The owner of
17 covered rental property shall consider offers de-
18 scribed in subparagraph (A) according to the
19 following order of priority:

20 (i) An offer from a qualifying tenant
21 organization that was incorporated before
22 the notice period and that has a current,
23 approved statement of interest in pur-
24 chasing the covered rental property.

1 (ii) An offer from a qualifying tenant
2 organization that was incorporated during
3 the notice period.

4 (iii) An offer from an eligible entity
5 that a qualifying tenant organization of the
6 covered rental property has endorsed.

7 (iv) An offer from an eligible entity
8 that a qualifying tenant organization of the
9 covered rental property has not endorsed.

10 (3) RIGHT OF FIRST REFUSAL.—After the
11 owner of a covered rental property complies with
12 subsection (c) and paragraphs (1) and (2) of this
13 subsection, if the owner does not sell the covered
14 rental property to an eligible entity under such para-
15 graph (2) and instead opts to make the covered
16 rental property available for sale to a third party, in-
17 cluding by means of any short sale or sale pursuant
18 to foreclosure, any eligible entity shall have the right
19 to match any third-party offer (referred to in this
20 subsection as the “right of first refusal”).

21 (4) FAILURE TO SELL.—If the owner of a cov-
22 ered rental property does not enter into a sales con-
23 tract during the 1-year period beginning on the date
24 on which the right of first refusal under paragraph
25 (3) is triggered, the obligation to provide notice of

1 the interest and intent to sell under subsection (c)
2 shall renew, and the owner may not sell the property
3 except pursuant to subsection (c) and this sub-
4 section.

5 (e) RIGHTS OF TENANTS.—

6 (1) TENANT NOTIFICATION.—The owner of a
7 covered rental property, in notifying the tenants of
8 the covered rental property of the interest of the
9 owner in selling, transferring, assigning, or con-
10 veying the property or the mortgage on the property
11 under subsection (c), shall provide the notice in an
12 accessible manner that clearly outlines the process
13 under this section and available resources.

14 (2) TENANT OPPORTUNITY TO PURCHASE.—
15 Not later than the first day of the first-look and
16 first opportunity to purchase period, the owner of a
17 covered rental property shall notify tenants of the
18 opportunity to purchase the covered rental property
19 in an accessible manner that clearly outlines their
20 rights and the resources available under this section
21 to support a purchase.

22 (3) TENANT NOTIFICATION OF OFFERS.—The
23 owner of a covered rental property shall notify the
24 tenants of the property of each offer to purchase the
25 property made by an eligible entity.

1 (4) TENANT ORGANIZATIONS.—

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

6 (B) TECHNICAL ASSISTANCE.—As part of
7 the technical assistance provided under section
8 6(d) and subsection (g) of this section, the Au-
9 thority shall provide resources to expedite the
10 incorporation of tenant organizations to better
11 allow tenants to participate in the process for
12 purchase of a covered rental property under
13 subsection (d) of this section, including pre-no-
14 tification tenant training especially in areas at
15 high risk for displacement.

16 (5) ESTABLISHMENT OF RESIDENT-OWNED CO-
17 OPERATIVE OR COMMUNITY LAND TRUST.—A quali-
18 fying tenant organization that wishes to purchase a
19 covered rental property under this section shall es-
20 tablish a resident-owned cooperative or community
21 land trust to purchase the covered rental property.

22 (6) RIGHTS AFTER PURCHASE.—If a qualifying
23 tenant organization purchases a covered rental prop-
24 erty under this section, the subsequent resident or-

1 organization may resell the property to an eligible enti-
2 ty.

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

9 (8) REPRESENTATIVES.—A qualifying tenant
10 organization may retain a legal representative to act
11 as an agent of the qualifying tenant organization for
12 purposes of this section.

13 (9) CONVEYANCE OF RIGHTS.—A tenant of a
14 covered rental property may not assign, transfer,
15 sell, or convey the rights afforded to the tenant
16 under this section.

17 (f) RESPONSIBILITIES OF ALL INTERESTED PAR-
18 TIES.—For purposes of this section, an eligible entity, in-
19 cluding a qualifying tenant organization and a legal rep-
20 resentative of a qualifying tenant organization, and an
21 owner of a covered rental property shall negotiate in good
22 faith and communicate within reasonable timeframes.

23 (g) ROLE OF AUTHORITY.—

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

1 (A) establish an Office of Community and
2 Tenant Opportunity to Purchase Act to provide
3 direct technical assistance and grants for tech-
4 nical assistance to eligible entities, and legal
5 representatives of qualifying tenant organiza-
6 tions, in order to support and enhance the abil-
7 ity of eligible entities, including qualifying ten-
8 ant organizations, to make purchases under this
9 section;

10 (B) establish an application process, proce-
11 dures, and requirements for qualifying tenant
12 organizations to establish and maintain a state-
13 ment of interest in purchasing a covered rental
14 property; and

15 (C) finance purchases made by eligible en-
16 tities under this section, consistent with the
17 purposes of section 5.

18 (2) APPLICATION FOR STATEMENT OF INTER-
19 EST IN PURCHASING.—The application for a quali-
20 fying tenant organization to establish a statement of
21 interest in purchasing a covered rental property shall
22 include such information as the Authority deter-
23 mines appropriate.

24 (3) PRIORITIES.—In the funding of purchases
25 made under this section or the approval of a quali-

1 fying tenant organization’s statement of interest in
2 purchasing a covered rental property, the Authority
3 may prioritize based on the following factors:

4 (A) The affordable housing needs of a re-
5 gion or State.

6 (B) The potential number of permanently
7 affordable housing units.

8 (C) The feasibility of a project.

9 (D) The opportunity to improve the condi-
10 tion and quality of housing for extremely low-
11 income families or low-income families.

12 (E) The pressures of displacement and the
13 opportunity to preserve naturally occurring af-
14 fordable housing.

15 (F) Any factors related to the purposes or
16 powers of the Authority.

17 (4) NONCOMPLIANCE REGULATIONS.—The Au-
18 thority shall promulgate regulations establishing
19 penalties for noncompliance under this section and
20 appropriate financial penalties to enforce this sec-
21 tion.

22 (5) GENERAL REGULATIONS.—The Authority—

23 (A) shall promulgate regulations necessary
24 to carry out this section; and

1 (B) in conjunction with the Secretary and
2 State and local housing agencies, shall promul-
3 gate regulations to carry out this section with
4 respect to purchases made by eligible entities.

5 **SEC. 11. MAXIMUM CONTINGENT LIABILITY.**

6 (a) IN GENERAL.—The maximum contingent liability
7 of the Authority outstanding at any time may not exceed
8 in the aggregate the applicable amount under subsection
9 (b).

10 (b) AMOUNT SPECIFIED.—

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

15 (2) SUBSEQUENT 5-YEAR PERIODS.—Not later
16 than 5 years after the date of enactment of this Act,
17 and not less frequently than once every 5 years
18 thereafter, the Board shall adjust the amount speci-
19 fied in paragraph (1) to reflect the percentage in-
20 crease (if any) in the Consumer Price Index since
21 the previous adjustment under this paragraph.

22 **SEC. 12. AUTHORITY FUNDS.**

23 (a) DEFINITIONS.—In this section:

24 (1) COST.—The term “cost”, with respect to a
25 direct loan or loan guarantee, has the meaning given

1 the term in section 502 of the Federal Credit Re-
2 form Act of 1990 (2 U.S.C. 661a); and

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

6 (3) LOAN GUARANTEE.—The term “loan guar-
7 antee” has the meaning given the term in section
8 502 of the Federal Credit Reform Act of 1990 (2
9 U.S.C. 661a).

10 (4) PROJECT-SPECIFIC TRANSACTION COSTS.—

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

13 (i) means the costs incurred by the
14 Authority for travel and legal expenses and
15 direct and indirect costs incurred by the
16 Authority in claims settlements; and

17 (ii) does not include the costs of infor-
18 mation technology (as that term is defined
19 in section 11101 of title 40, United States
20 Code).

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

24 (b) AUTHORITY CAPITAL ACCOUNT.—There is estab-
25 lished in the Treasury of the United States a fund to be

1 known as the “Authority Capital Account” to carry out
2 the purposes of the Authority.

3 (c) FUNDING.—The Authority Capital Account shall
4 consist of—

5 (1) fees charged and collected under subsection
6 (d);

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

8 (3) investments and returns on investments
9 under subsection (h);

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

12 (5) any proceeds from bonds sold under section
13 4(d);

14 (6) any amounts appropriated to the Authority
15 Capital Account; and

16 (7) all other collections transferred to or earned
17 by the Authority, excluding the cost of direct loans
18 and loan guarantees.

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

22 (e) USE OF AUTHORITY CAPITAL ACCOUNT.—The
23 Authority may use amounts in the Authority Capital Ac-
24 count to carry out the purposes described in section 5,
25 including for—

- 1 (1) the cost of direct loans and loan guarantees;
- 2 (2) administrative expenses of the Authority;
- 3 (3) for the cost of providing support authorized
- 4 by section 6;
- 5 (4) project-specific transaction costs;
- 6 (5) payment of all insurance and reinsurance
- 7 claims of the Authority;
- 8 (6) repayments to the Treasury of the United
- 9 States of amounts borrowed under subsection (f);
- 10 and
- 11 (7) dividend payments to the Treasury of the
- 12 United States under subsection (g).

13 (f) **AUTHORITY TO BORROW.**—The Authority may
14 borrow from the Treasury of the United States such sums
15 as may be necessary to fulfill obligations of the Authority
16 and any such borrowing shall be at a rate determined by
17 the Secretary of the Treasury, taking into consideration
18 the current average market yields on outstanding market-
19 able obligations of the United States of comparable matu-
20 rities, for a period jointly determined by the Authority and
21 the Secretary of the Treasury, and subject to such terms
22 and conditions as the Secretary of the Treasury may re-
23 quire.

24 (g) **DIVIDENDS.**—The Board, in consultation with
25 the Director of the Office of Management and Budget,

1 shall annually assess a dividend payment to the Treasury
2 of the United States if the Authority Capital Account is
3 more than 100 percent reserved.

4 (h) INVESTMENT AUTHORITY.—

5 (1) IN GENERAL.—The Authority may request
6 the Secretary of the Treasury to invest such portion
7 of the Authority Capital Account as is not, in the
8 Authority’s judgement, required to meet the current
9 needs of the Authority Capital Account.

10 (2) FORM OF INVESTMENTS.—Investments
11 under paragraph (1) shall be made by the Secretary
12 of the Treasury in public debt obligations, with ma-
13 turities suitable to the needs of the Authority Cap-
14 ital Account, as determined by the Authority, and
15 bearing interest at rates determined by the Sec-
16 retary of the Treasury, taking into consideration
17 current market yields on outstanding marketable ob-
18 ligations of the United States of comparable matu-
19 rities.

20 (i) COLLECTIONS.—Interest earned under subsection
21 (h) and amounts, excluding fees related to insurance or
22 reinsurance, collected under subsection (d), shall not be
23 collected for any fiscal year except to the extent provided
24 in advance in appropriation Acts.

1 **SEC. 13. AUTHORIZATION OF APPROPRIATIONS FOR AU-**
2 **THORITY.**

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

7 (b) **ALLOCATIONS TO INDIAN TRIBES AND TRIBALLY**
8 **DESIGNATED HOUSING ENTITIES.**—

9 (1) **IN GENERAL.**—The Authority shall allocate
10 not less than 5 percent of amounts appropriated
11 under subsection (a) to provide assistance to Indian
12 Tribes and tribally designated housing entities—

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

16 (B) in consultation with Indian Tribes,
17 tribally designated housing entities, and the Of-
18 fice of Native American Programs of the De-
19 partment of Housing and Urban Development.

20 (2) **SUPPLEMENT NOT SUPPLANT.**—To the
21 greatest extent possible, the allocation described in
22 paragraph (1) shall supplement and not supplant
23 any funding that an Indian Tribe or a tribally des-
24 ignated housing entity receives from a governmental
25 source.

26 (c) **ALLOCATIONS TO RURAL COMMUNITIES.**—

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

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

8 (B) in consultation with the Rural Housing
9 Service of the Department of Agriculture.

10 (2) SUPPLEMENT NOT SUPPLANT.—To the
11 greatest extent possible, the allocation described in
12 paragraph (1) shall supplement and not supplant
13 any funding that a rural housing entity receives
14 from a governmental source.

15 **SEC. 14. AUTHORIZATION OF APPROPRIATIONS FOR PUB-**
16 **LIC HOUSING BACKLOG.**

17 There is authorized to be appropriated for assistance
18 from the Public Housing Capital Fund established under
19 section 9(d) of the United States Housing Act of 1937
20 (42 U.S.C. 1437g(d)) such sums as may be necessary to
21 address the public housing capital backlog at the Depart-
22 ment, which amount shall remain available until expended
23 and, notwithstanding subsections (c)(1) and (d)(2) of such
24 section 9, shall be allocated to public housing agencies
25 based upon the extent of the capital need of each agency,

1 as determined according to the most recent physical needs
2 assessment of the agencies, with a minimum amount for
3 each agency to be specified by the Authority.

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

5 Section 9(g) of the United States Housing Act of
6 1937 (42 U.S.C. 1437g(g)) is amended by striking para-
7 graph (3).

8 **SEC. 16. MISCELLANEOUS.**

9 (a) SAVINGS CLAUSE.—Except as may be otherwise
10 expressly provided in this Act, all powers and authorities
11 conferred by this Act shall be cumulative and additional
12 to and not in derogation of any powers and authorities
13 otherwise existing.

14 (b) SEVERABILITY.—If any provision of this Act, an
15 amendment made by this Act, or the application of such
16 provision or amendment to any person or circumstance is
17 held to be invalid, the remainder of this Act and the
18 amendments made by this Act, and the application of the
19 provision or amendment to any other person or cir-
20 cumstance, shall not be affected.

21 (c) EFFECTIVE DATE; INTERIM APPOINTMENTS.—
22 This Act shall take effect on the date that is 60 days after
23 the date of enactment of this Act, or on such earlier date
24 as the President shall specify by Executive order published
25 in the Federal Register, except that any of the officers

1 provided for in section 4(c) may be nominated and ap-
2 pointed, as provided in that section, at any time after the
3 date of enactment.

4 (d) DESIGNATION OF TEMPORARY OFFICERS.—

5 (1) IN GENERAL.—If 1 or more officers re-
6 quired by this Act to be appointed by the President,
7 by and with the advice and consent of the Senate,
8 have not entered office as of the effective date of
9 this Act under subsection (c), the President may
10 designate any person who was an officer of the De-
11 partment as of the day before that effective date to
12 serve in that office in an acting capacity until the
13 earlier of—

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

16 (B) the date that is 60 days after the ef-
17 fective date.

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

○