

**AMENDMENT TO RULES COMMITTEE PRINT**

**119-22**

**OFFERED BY MS. BALINT OF VERMONT**

Add at the end of subtitle C of title VI the following:

1 **SEC. 6 \_\_\_\_ . HOUSING PRESERVATION AND REVITALIZATION**

2 **PROGRAM.**

3 (a) ESTABLISHMENT.—The Secretary shall carry out  
4 a program under this section for the preservation and re-  
5 talization of multifamily rental housing projects financed  
6 under section 515 or both sections 514 and 516.

7 (b) NOTICE OF MATURING LOANS.—

8 (1) TO OWNERS.—On an annual basis, the Sec-  
9 retary shall provide written notice to each owner of  
10 a property financed under section 515 or both sec-  
11 tions 514 and 516 that will mature within the 4-  
12 year period beginning upon the provision of the no-  
13 tice, setting forth the options and financial incen-  
14 tives that are available to facilitate the extension of  
15 the loan term or the option to decouple a rental as-  
16 sistance contract pursuant to subsection (f).

17 (2) TO TENANTS.—

18 (A) IN GENERAL.—For each property fi-  
19 nanced under section 515 or both sections 514

1           and 516, not later than the date that is 2 years  
2           before the date that the loan will mature, the  
3           Secretary shall provide written notice to each  
4           household residing in the property that informs  
5           them of the date of the loan maturity, the pos-  
6           sible actions that may happen with respect to  
7           the property upon that maturity, and how to  
8           protect their right to reside in federally assisted  
9           housing after that maturity.

10           (B) LANGUAGE.—Notice under this para-  
11           graph shall be provided in plain English and  
12           shall be translated to other languages in the  
13           case of any property located in an area in which  
14           a significant number of residents speak such  
15           other languages.

16           (c) LOAN RESTRUCTURING.—Under the program  
17           under this section, in any circumstance in which the Sec-  
18           retary proposes a restructuring to an owner or an owner  
19           proposes a restructuring to the Secretary, the Secretary  
20           may restructure such existing housing loans, as the Sec-  
21           retary considers appropriate, for the purpose of ensuring  
22           that those projects have sufficient resources to preserve  
23           the projects to provide safe and affordable housing for low-  
24           income residents and farm laborers, by—

25           (1) reducing or eliminating interest;

1 (2) deferring loan payments;

2 (3) subordinating, reducing, or reamortizing  
3 loan debt; and

4 (4) providing other financial assistance, includ-  
5 ing advances, payments, and incentives (including  
6 the ability of owners to obtain reasonable returns on  
7 investment) required by the Secretary.

8 (d) RENEWAL OF RENTAL ASSISTANCE.—

9 (1) IN GENERAL.—When the Secretary pro-  
10 poses to restructure a loan or agrees to the proposal  
11 of an owner to restructure a loan pursuant to sub-  
12 section (c), the Secretary shall offer to renew the  
13 rental assistance contract under section 521(a)(2)  
14 for a 20-year term that is subject to annual appro-  
15 priations, provided that the owner agrees to bring  
16 the property up to or maintain the property at such  
17 standards that will ensure maintenance of the prop-  
18 erty as decent, safe, and sanitary housing for the  
19 full term of the rental assistance contract.

20 (2) ADDITIONAL RENTAL ASSISTANCE.—

21 (A) IN GENERAL.—With respect to a  
22 project described in paragraph (1), if rental as-  
23 sistance is not available for all households in  
24 the project for which the loan is being restruc-  
25 tured pursuant to subsection (c), the Secretary

1           may extend such additional rental assistance to  
2           unassisted households at that project as is nec-  
3           essary to make the project safe and affordable  
4           to low-income households.

5           (B) UNAVAILABLE PROPERTY.—In the  
6           event that a property is not available to provide  
7           additional rental assistance to households under  
8           subparagraph (A), the Secretary may offer a  
9           rural housing voucher to those households.

10       (e) RESTRICTIVE USE AGREEMENTS.—

11           (1) REQUIREMENT.—As part of the preserva-  
12           tion and revitalization agreement for a project, the  
13           Secretary shall obtain a restrictive use agreement  
14           that obligates the owner to operate the project in ac-  
15           cordance with this title.

16           (2) TERM.—

17           (A) NO EXTENSION OF RENTAL ASSIST-  
18           ANCE CONTRACT.—Except when the Secretary  
19           enters into a 20-year extension of the rental as-  
20           sistance contract for a project, the term of the  
21           restrictive use agreement for the project shall  
22           be consistent with the term of the restructured  
23           loan for the project.

24           (B) EXTENSION OF RENTAL ASSISTANCE  
25           CONTRACT.—If the Secretary enters into a 20-

1           year extension of the rental assistance contract  
2           for a project, the term of the restrictive use  
3           agreement for the project shall be for 20 years.

4           (C) TERMINATION.—The Secretary may  
5           terminate the 20-year use restrictive use agree-  
6           ment for a project before the end of the term  
7           of the agreement if the 20-year rental assist-  
8           ance contract for the project with the owner is  
9           terminated at any time for reasons outside the  
10          control of the owner.

11         (f) DECOUPLING OF RENTAL ASSISTANCE.—

12           (1) RENEWAL OF RENTAL ASSISTANCE CON-  
13          TRACT.—If the Secretary determines that a matur-  
14          ing loan for a project cannot reasonably be restruc-  
15          tured in accordance with subsection (c) because it is  
16          not financially feasible or the owner does not agree  
17          with the proposed restructuring, and the project was  
18          operating with rental assistance under section 521,  
19          the Secretary may renew the rental assistance con-  
20          tract, notwithstanding any provision of section 521,  
21          for a term, subject to annual appropriations, of 20  
22          years, provided that the owner enters into a restric-  
23          tive use agreement.

24           (2) ADDITIONAL RENTAL ASSISTANCE.—With  
25          respect to a project described in paragraph (1), if

1 rental assistance is not available for all households  
2 in the project, the Secretary may extend such addi-  
3 tional rental assistance to unassisted households at  
4 that project as is necessary to make the project safe  
5 and affordable to low-income households.

6 (3) RENTS.—Any agreement to extend the term  
7 of the rental assistance contract under section 521  
8 for a project shall obligate the owner to continue to  
9 maintain the project as decent, safe, and sanitary  
10 housing and to operate the development in accord-  
11 ance with this title, except that rents shall be based  
12 on the lesser of—

13 (A) the budget-based needs of the project;

14 or

15 (B) the operating cost adjustment factor  
16 as a payment standard as provided under sec-  
17 tion 524 of the Multifamily Assisted Housing  
18 Reform and Affordability Act of 1997 (42  
19 U.S.C. 1437 note).

20 (4) CONDITIONS FOR APPROVAL.—

21 (A) PLAN.—Before the approval of a rent-  
22 al assistance contract authorized under this sec-  
23 tion, the Secretary shall require the owner to  
24 submit to the Secretary a plan that identifies fi-  
25 nancing sources and a timetable for renovations

1 and improvements determined to be necessary  
2 by the Secretary to maintain and preserve the  
3 project.

4 (B) AUTOMATIC APPROVAL.—If a plan  
5 submitted under subparagraph (A) is not acted  
6 upon by the Secretary within 30 days of the  
7 submission, the rental assistance contract is  
8 automatically approved for not more than a 1-  
9 year period.

10 (g) MULTIFAMILY HOUSING TRANSFER TECHNICAL  
11 ASSISTANCE.—Under the program under this section, the  
12 Secretary may provide grants to qualified nonprofit orga-  
13 nizations and public housing agencies to provide technical  
14 assistance, including financial and legal services, to bor-  
15 rowers under loans under this title for multifamily housing  
16 to facilitate the acquisition of such multifamily housing  
17 properties in areas where the Secretary determines there  
18 is a risk of loss of affordable housing.

19 (h) TRANSFER OF RENTAL ASSISTANCE.—After the  
20 loan or loans for a rental project originally financed under  
21 section 515 or both sections 514 and 516 have matured  
22 or have been prepaid and the owner has chosen not to  
23 restructure the loan pursuant to subsection (c)—

24 (1) a tenant residing in the project shall have  
25 18 months before loan maturation or prepayment to

1 transfer the rental assistance assigned to the unit of  
2 the tenant to another rental project originally fi-  
3 nanced under section 515 or both sections 514 and  
4 516, and such tenants will have priority for admis-  
5 sion over other applicants; and

6 (2) the owner of the initial project may rent the  
7 previous unit of the tenant to a new tenant without  
8 income restrictions.

9 (i) ADMINISTRATIVE EXPENSES.—Of any amounts  
10 made available for the program under this section for any  
11 fiscal year, the Secretary may use not more than  
12 \$1,000,000 for administrative expenses for carrying out  
13 such program.

14 (j) AUTHORIZATION OF APPROPRIATIONS.—There is  
15 authorized to be appropriated for the program under this  
16 section \$200,000,000 for each of fiscal years 2024  
17 through 2028.

18 (k) RULEMAKING.—

19 (1) IN GENERAL.—Not later than 180 days  
20 after the date of enactment of this section, the Sec-  
21 retary shall—

22 (A) publish an advance notice of proposed  
23 rulemaking; and

24 (B) consult with appropriate stakeholders.

1           (2) INTERIM FINAL RULE.—Not later than 1  
2           year after the date of enactment of this section, the  
3           Secretary shall publish an interim final rule to carry  
4           out this section.

