

# DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## PUBLIC AND INDIAN HOUSING PROGRAMS

### Federal Funds

#### RENTAL ASSISTANCE DEMONSTRATION

For continuing activities under the heading "Rental Assistance Demonstration" in the Department of Housing and Urban Development Appropriations Act, 2012 (Public Law 112-55), and in accordance with priorities established by the Secretary, \$50,000,000, to remain available through September 30, 2020: Provided, That such funds shall only be available to properties converting from assistance under section 9 of the United States Housing Act of 1937 (42 U.S.C 1437g) or under section 202(c)(2) of the Housing Act of 1959 (12 U.S.C. 1701q(c)(2)).

#### Program and Financing (in millions of dollars)

Identification code 086-0406-0-1-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 RAD Incremental Conversion Cost .....			50
0100 Direct program activities, subtotal .....			50
0900 Total new obligations (object class 41.0) .....			50
<b>Budgetary resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....			50
1930 Total budgetary resources available .....			50
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....			50
3050 Unpaid obligations, end of year .....			50
Memorandum (non-add) entries:			
3200 Obligated balance, end of year .....			50
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....			50
4180 Budget authority, net (total) .....			50
4190 Outlays, net (total) .....			

The 2017 Budget provides \$50 million for the Rental Assistance Demonstration (RAD) program and expands its authority to convert additional properties to long-term, project-based Section 8 contracts that can leverage private financing for capital improvements. Under existing authorities, Public Housing Authorities (PHAs) and other owners of rental properties assisted under the Public Housing, Moderate Rehabilitation (Mod Rehab), Moderate Rehabilitation Single-Room Occupancy (Mod Rehab SRO), Rent Supplement (Rent Supp) and Rental Assistance Payment (RAP) programs are offered the option to convert their properties to Section 8 contracts. The Budget expands this authority to enable Section 202 Housing for the Elderly Project Rental Assistance Contracts (PRACs) the option to also convert to Section 8 contracts.

In addition to no-cost conversions, the requested \$50 million would be awarded to both PHAs and Section 202 PRAC owners to cover the incremental subsidy necessary for properties to feasibly convert. HUD would prioritize properties that are located in high poverty neighborhoods, including designated Promise Zones, where the Administration is supporting comprehensive revitalization efforts or other efforts to significantly increase opportunities for the residents. HUD also intends to prioritize conversions of Section 202 PRAC properties that have significant recapitalization needs in high need areas, as well as other criteria, including those properties with service coordinators for frail and elderly residents.

The Budget also includes the following proposals to facilitate additional conversions of HUD-assisted properties: 1) eliminates the 185,000 unit cap on Public Housing conversions; 2) eliminates the deadline of September 30, 2018, for submission of RAD applications; 3) standardizes ownership and control requirements for converted Public Housing properties in situations where low-income housing tax credits are used or where foreclosure,

bankruptcy, or default occurs; and 4) protects tenants' right to continue occupancy under second component conversions.

#### TENANT-BASED RENTAL ASSISTANCE

For activities and assistance for the provision of tenant-based rental assistance authorized under the United States Housing Act of 1937, as amended (42 U.S.C. 1437 et seq.) ("the Act" herein), not otherwise provided for, \$16,854,000,000, to remain available until [expended] September 30, 2019, shall be available on October 1, [2015] 2016 (in addition to the \$4,000,000,000 previously appropriated under this heading that shall be available on October 1, [2015] 2016), and \$4,000,000,000, to remain available until [expended] September 30, 2020, shall be available on October 1, [2016] 2017: Provided, That the amounts made available under this heading are provided as follows:

(1) \$17,681,451,000 \$18,447,000,000 shall be available for renewals of expiring section 8 tenant-based annual contributions contracts (including renewals of enhanced vouchers under any provision of law authorizing such assistance under section 8(t) of the Act) and including renewal of other special purpose incremental vouchers: Provided, That notwithstanding any other provision of law, from amounts provided under this paragraph and any carryover, the Secretary for the calendar year [2016] 2017 funding cycle shall provide renewal funding for each public housing agency based on validated voucher management system (VMS) leasing and cost data for the prior calendar year and by applying an inflation factor as established by the Secretary, by notice published in the Federal Register, and by making any necessary adjustments for the costs associated with the first-time renewal of vouchers under this paragraph including tenant protection, [HOPE VI,] and Choice Neighborhoods vouchers: Provided further, That in determining calendar year [2016] 2017 funding allocations under this heading for public housing agencies, including agencies participating in the Moving To Work (MTW) demonstration, the Secretary may take into account the anticipated impact of changes in [targeting and utility allowances] the medical expense threshold, on public housing agencies' contract renewal needs: Provided further, That none of the funds provided under this paragraph may be used to fund a total number of unit months under lease which exceeds a public housing agency's authorized level of units under contract, except for public housing agencies participating in the MTW demonstration, which are instead governed by the terms and conditions of their MTW agreements: Provided further, That the Secretary shall, to the extent necessary to stay within the amount specified under this paragraph (except as otherwise modified under this paragraph), prorate each public housing agency's allocation otherwise established pursuant to this paragraph: Provided further, That except as provided in the following provisos, the entire amount specified under this paragraph (except as otherwise modified under this paragraph) shall be obligated to the public housing agencies based on the allocation and pro rata method described above, and the Secretary shall notify public housing agencies of their annual budget by the latter of 60 days after enactment of this Act or March 1, [2016] 2017: Provided further, That the Secretary may extend the notification period with [the prior written approval of] notification to the House and Senate Committees on Appropriations: Provided further, That public housing agencies participating in the MTW demonstration shall be funded pursuant to their MTW agreements, and in accordance with the requirements of the MTW program, and shall be subject to the same pro rata adjustments under the previous provisos: Provided further, That the Secretary may offset public housing agencies' calendar year [2016] 2017 allocations based on the excess amounts of public housing agencies' net restricted assets accounts, including HUD held programmatic reserves (in accordance with VMS data in calendar year [2015] 2016 that is verifiable and complete), as determined by the Secretary: Provided further, That public housing agencies participating in the MTW demonstration shall also be subject to the offset, as determined by the Secretary, [excluding amounts subject to the single fund budget authority provisions of their MTW agreements,] from the agencies' calendar year [2016] 2017 MTW funding allocation: Provided further, That the Secretary shall use any offset referred to in the previous two provisos throughout the calendar year to prevent the termination of rental assistance for families as the result of insufficient funding, as determined by the Secretary, and to avoid or reduce the proration of renewal funding allocations: Provided further, That up to \$75,000,000 shall be available only: (1) for adjustments in the allocations for public housing agencies, after application for an adjustment by a public housing agency that experienced a significant increase, as determined by the Secretary, in renewal costs of vouchers resulting from unforeseen circumstances or from portability under section 8(r) of the Act; (2) for vouchers that were not in use during the previous

## TENANT-BASED RENTAL ASSISTANCE—Continued

12-month period in order to be available to meet a commitment pursuant to section 8(o)(13) of the Act; (3) for adjustments for costs associated with HUD-Veterans Affairs Supportive Housing (HUD-VASH) vouchers; [and] (4) for public housing agencies that despite taking reasonable cost savings measures, as determined by the Secretary, would otherwise be required to terminate rental assistance for families as a result of insufficient funding; and (5) for adjustments for voucher costs associated with a housing mobility program: *Provided further*, That the Secretary shall allocate amounts under the previous proviso based on need, as determined by the Secretary;

(2) **[\$130,000,000]** *\$110,000,000* shall be for section 8 rental assistance for relocation and replacement of housing units that are demolished or disposed of pursuant to section 18 of the Act, conversion of section 23 projects to assistance under section 8, the family unification program under section 8(x) of the Act, relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency, enhanced vouchers under any provision of law authorizing such assistance under section 8(t) of the Act, HOPE VI and Choice Neighborhood vouchers, mandatory and voluntary conversions, and tenant protection assistance including replacement and relocation assistance or for project-based assistance to prevent the displacement of unassisted elderly tenants currently residing in section 202 properties financed between 1959 and 1974 that are refinanced pursuant to Public Law 106-569, as amended, or under the authority as provided under this Act: *Provided*, That when a public housing development is submitted for demolition or disposition under section 18 of the Act, the Secretary may provide section 8 rental assistance when the units pose an imminent health and safety risk to residents: *Provided further*, That the Secretary may only provide replacement vouchers for units that were occupied within the previous 24 months that cease to be available as assisted housing, subject only to the availability of funds: *Provided further*, That of the amounts made available under this paragraph, \$5,000,000 may be available to provide tenant protection assistance, not otherwise provided under this paragraph, to residents residing in low vacancy areas and who may have to pay rents greater than 30 percent of household income, as the result of: (A) the maturity of a HUD-insured, HUD-held or section 202 loan that requires the permission of the Secretary prior to loan prepayment; (B) the expiration of a rental assistance contract for which the tenants are not eligible for enhanced voucher or tenant protection assistance under existing law; or (C) the expiration of affordability restrictions accompanying a mortgage or preservation program administered by the Secretary: *Provided further*, That such tenant protection assistance made available under the previous proviso may be provided under the authority of section 8(t) or section 8(o)(13) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)): *Provided further*, That any tenant protection voucher made available from amounts under this paragraph shall not be reissued by any public housing agency, except the replacement vouchers as defined by the Secretary by notice, when the initial family that received any such voucher no longer receives such voucher, and the authority for any public housing agency to issue any such voucher shall cease to exist: *Provided further*, That the Secretary, for the purpose under this paragraph, may use unobligated balances, including recaptures and carryovers, remaining from amounts appropriated in prior fiscal years under this heading for voucher assistance for nonelderly disabled families and for disaster assistance made available under Public Law 110-329];

(3) **[\$1,650,000,000]** *\$2,077,000,000* shall be for administrative and other expenses of public housing agencies in administering the section 8 tenant-based rental assistance program, of which up to \$10,000,000 shall be available to the Secretary to allocate to public housing agencies that need additional funds to administer their section 8 programs, including fees associated with section 8 tenant protection rental assistance, the administration of disaster related vouchers, Veterans Affairs Supportive Housing vouchers, and other special purpose incremental vouchers: *Provided*, That no less than **[\$1,640,000,000]** *\$2,067,000,000* of the amount provided in this paragraph shall be allocated to public housing agencies for the calendar year **[2016]** 2017 funding cycle based on section 8(q) of the Act [(and related Appropriation Act provisions) as in effect immediately before the enactment of the Quality Housing and Work Responsibility Act of 1998 (Public Law 105-276)]: *Provided further*, That if the amounts made available under this paragraph are insufficient to pay the amounts determined under the previous proviso, the Secretary may decrease the amounts allocated to agencies by a uniform percentage applicable to all agencies receiving funding under this paragraph or may, to the extent necessary to provide full payment of amounts determined under the previous proviso, utilize unobligated balances, including recaptures and carryovers, remaining from funds appropriated to the Department of Housing and Urban Development under this heading from prior fiscal years, excluding special purpose vouchers, notwithstanding the purposes for which such amounts were

appropriated: *Provided further*, That **[all]** public housing agencies participating in the MTW demonstration shall be funded pursuant to their MTW agreements, and in accordance with the requirements of the MTW program, and shall be subject to the same uniform percentage decrease as under the previous proviso: *Provided further*, That amounts provided under this paragraph shall be only for activities related to the provision of tenant-based rental assistance authorized under section 8, including related development activities;

(4) **[\$107,074,000]** *\$110,000,000* for the renewal of tenant-based assistance contracts under section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013), including necessary administrative expenses: *Provided*, That administrative and other expenses of public housing agencies in administering the special purpose vouchers in this paragraph shall be funded under the same terms and be subject to the same pro rata reduction as the percent decrease for administrative and other expenses to public housing agencies under paragraph (3) of this heading;

(5) **[\$60,000,000]** for incremental rental voucher assistance for use through a supported housing program administered in conjunction with the Department of Veterans Affairs as authorized under section 8(o)(19) of the United States Housing Act of 1937: *Provided*, That the Secretary of Housing and Urban Development shall make such funding available, notwithstanding section 204 (competition provision) of this title, to public housing agencies that partner with eligible VA Medical Centers or other entities as designated by the Secretary of the Department of Veterans Affairs, based on geographical need for such assistance as identified by the Secretary of the Department of Veterans Affairs, public housing agency administrative performance, and other factors as specified by the Secretary of Housing and Urban Development in consultation with the Secretary of the Department of Veterans Affairs: *Provided further*, That the Secretary of Housing and Urban Development may waive, or specify alternative requirements for (in consultation with the Secretary of the Department of Veterans Affairs), any provision of any statute or regulation that the Secretary of Housing and Urban Development administers in connection with the use of funds made available under this paragraph (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a finding by the Secretary that any such waivers or alternative requirements are necessary for the effective delivery and administration of such voucher assistance: *Provided further*, That assistance made available under this paragraph shall continue to remain available for homeless veterans upon turnover: *\$7,000,000 shall be for rental assistance and associated administrative fees for Tribal HUD-VA Supportive Housing to serve Native American veterans that are homeless or at-risk of homelessness living on or near a reservation or other Indian areas: Provided*, That such amount shall be made available for renewal grants to the recipients that received assistance under the rental assistance and supportive housing demonstration program for Native American veterans authorized under the heading "TENANT-BASED RENTAL ASSISTANCE" in title II of division K of the Consolidated and Further Continuing Appropriations Act, 2015 (Public Law 113-235, 128 Stat. 2733): *Provided further*, That the Secretary shall be authorized to specify criteria for renewal grants, including data on the utilization of assistance reported by grant recipients under the demonstration program: *Provided further*, That any amounts remaining after such renewal assistance is awarded may be available for new grants to recipients eligible to receive block grants under the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. section 4101 et seq.) for rental assistance and associated administrative fees for Tribal HUD-VA Supportive Housing to serve Native American veterans that are homeless or at-risk of homelessness living on or near a reservation or other Indian areas: *Provided further*, That funds shall be awarded based on need, administrative capacity, and any other funding criteria established by the Secretary in a Notice published in the Federal Register after coordination with the Secretary of the Department of Veterans Affairs: *Provided further*, That renewal grants and new grants under this paragraph shall be administered by block grant recipients in accordance with program requirements under the Native American Housing Assistance and Self-Determination Act of 1996: *Provided further*, That assistance under this paragraph shall be modeled after, with necessary and appropriate adjustments for Native American grant recipients and veterans, the rental assistance and supportive housing program known as HUD-VASH program, including administration in conjunction with the Department of Veterans Affairs and overall implementation of section 8(o)(19) of the United States Housing Act of 1937: *Provided further*, That the Secretary of Housing and Urban Development may waive, or specify alternative requirements for any provision of any statute or regulation that the Secretary of Housing and Urban Development administers in connection with the use of funds made available under this paragraph (except for requirements related to fair housing, nondiscrimination, labor stands, and the environment), upon a finding by the Secretary that any such waivers or alternative requirements are necessary for the effective delivery and administration

of such assistance: Provided further, That grant recipients shall report to the Secretary on utilization of such rental assistance and other program data, as prescribed by the Secretary; [and]

(6) \$88,000,000 shall be used for incremental rental voucher assistance under section 8(o) of the United States Housing Act of 1937 for use by families with children who are experiencing homelessness, as determined by the Secretary: Provided, That the Secretary shall make such funding available, notwithstanding section 204 (competition provision) of this title to public housing agencies that partner with eligible Continuums of Care or other entities as designated by the Secretary, based on geographical need of such assistance, public housing agency administrative performance, and other factors as specified by the Secretary: Provided further, That the Secretary may waive, or specify alternative requirements for any provision or statute or regulation that the Secretary administers in connection with the use of funds made available under this paragraph (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment) upon a finding by the Secretary that any such waivers or alternative requirements are necessary for the effective delivery and administration of such voucher assistance: Provided further, That the Secretary shall issue guidance to implement the previous proviso;

(7) \$15,000,000 shall be made available for the Housing Choice Voucher Mobility Demonstration authorized under section 270 of this title: Provided, That no more than \$3,000,000 may be available for evaluating the demonstration; and

(16) (8) the Secretary shall separately track all special purpose vouchers funded under this heading. (Department of Housing and Urban Development Appropriations Act, 2016.)

**Program and Financing** (in millions of dollars)

Identification code 086-0302-0-1-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Tenant Protection .....	94	192	110
0002 Administrative Fees .....	1,509	1,765	2,077
0006 Contract Renewals .....	17,518	17,729	18,419
0007 Rental Assistance Demonstration .....	29	39	129
0008 Veterans Affairs Supportive Housing Vouchers .....	79	73	.....
0013 Section 811 Mainstream Vouchers .....	104	118	110
0014 Homeless Vouchers .....	.....	.....	88
0015 Tribal HUD VASH .....	.....	.....	7
0016 Mobility Demonstration .....	.....	.....	15
0900 Total new obligations (object class 41.0) .....	19,333	19,916	20,955
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	228	250	.....
1021 Recoveries of prior year unpaid obligations .....	20	.....	.....
1050 Unobligated balance (total) .....	248	250	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	15,304	15,629	16,854
1120 Appropriations transferred to other accts [086-0108] .....	.....	.....	-28
1121 Appropriations transferred from other acct [086-0304] .....	8	10	34
1122 Appropriations transferred from other acct [086-0163] .....	23	27	95
1160 Appropriation, discretionary (total) .....	15,335	15,666	16,955
Advance appropriations, discretionary:			
1170 Advance appropriation .....	4,000	4,000	4,000
1900 Budget authority (total) .....	19,335	19,666	20,955
1930 Total budgetary resources available .....	19,583	19,916	20,955
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	250	.....	.....
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	2,766	3,600	4,051
3010 Obligations incurred, unexpired accounts .....	19,333	19,916	20,955
3020 Outlays (gross) .....	-18,479	-19,465	-20,832
3040 Recoveries of prior year unpaid obligations, unexpired .....	-20	.....	.....
3050 Unpaid obligations, end of year .....	3,600	4,051	4,174
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	2,766	3,600	4,051
3200 Obligated balance, end of year .....	3,600	4,051	4,174
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	19,335	19,666	20,955
Outlays, gross:			
4010 Outlays from new discretionary authority .....	16,034	16,533	17,564
4011 Outlays from discretionary balances .....	2,445	2,932	3,268

4020	Outlays, gross (total) .....	18,479	19,465	20,832
4180	Budget authority, net (total) .....	19,335	19,666	20,955
4190	Outlays, net (total) .....	18,479	19,465	20,832

The 2017 Budget provides \$20.9 billion for the Tenant-Based Rental Assistance program (also known as the Housing Choice Voucher program), which is the Federal government's largest and most income-targeted rental assistance program. With this funding, the Housing Choice Voucher program will provide housing assistance to over 2.2 million extremely low- to very low-income families to rent decent, safe, and sanitary housing in the private market. About 2,300 state and local Public Housing Authorities (PHAs) administer the Housing Choice Voucher program.

The Budget provides \$18.5 billion in contract renewals to continue assistance for families anticipated to be under lease at the end of 2016, including renewing 14,000 housing vouchers for persons with disabilities.

Based on studies that show that moving to higher opportunity areas can have significant and positive long-term earnings and college attainment outcomes for children, the Budget includes investments in the Housing Choice Voucher program to improve the mobility of low-income families. The Budget requests \$2.1 billion in PHA administrative fees to not only support fundamental functions, such as housing quality inspections and tenant income certifications, but to ensure that PHAs have sufficient resources to promote mobility and give low-income families greater access to areas with lower crime, more job opportunities, and better schools. In addition, the Budget requests \$15 million and statutory authority to implement a Mobility Counseling Demonstration program to help families with housing vouchers move and stay in areas of opportunities. The funds would be used to pay for counseling, outreach to landlords, portability coordination, security deposits, and other administrative functions.

The Budget provides targeted discretionary funding increases to address homelessness, including \$88 million for 10,000 housing vouchers for homeless families with children. These housing vouchers will be awarded to PHAs in geographic areas with demonstrated need, in coordination with local Continuum of Care programs, and will complement the \$11 billion mandatory proposal to end family homelessness, as discussed in the "Homeless Assistance for Families" account.

The Budget requests \$110 million for tenant protection vouchers, which are provided to families who must relocate due to actions beyond their control, such as public housing demolition or redevelopment, and when private owners of multi-family developments choose to leave the project-based program or convert to long-term Section 8 contracts, as a part of the Rental Assistance Demonstration program.

The Budget provides \$7 million for the Tribal HUD-VA Supportive Housing (HUD-VASH) program, to serve homeless or at risk of homeless Native American veterans living in and around designated tribal areas.

The Budget also proposes the following statutory improvements to the Housing Choice Voucher program: 1) increasing the threshold used to determine deductions for unreimbursed medical expenses from 3 to 10 percent of family income; 2) improving the process for establishing Fair Market Rents; 3) simplifying the calculation of the 20 percent project-based voucher cap by basing the maximum on units rather than funding level; 4) implementing a new formula to allocate administrative fees; and 5) extending the maximum term of Family Unification Program vouchers issued to youths aging out of foster care from 18 to 60 months.

**HOUSING CERTIFICATE FUND**

(INCLUDING [RESCISSIONS] CANCELLATIONS)

Unobligated balances, including recaptures and carryover, remaining from funds appropriated to the Department of Housing and Urban Development under this heading, the heading "Annual Contributions for Assisted Housing" and the heading "Project-Based Rental Assistance", for fiscal year [2016] 2017 and prior years may be used for renewal of or amendments to section 8 project-based contracts and for performance-based contract administrators, notwithstanding the purposes for which such funds were appropriated: *Provided*, That any obligated balances of contract

HOUSING CERTIFICATE FUND—Continued

authority from fiscal year 1974 and prior that have been terminated [shall be rescinded] are hereby permanently cancelled: *Provided further*, That amounts heretofore recaptured, or recaptured during the current fiscal year, from section 8 project-based contracts from source years fiscal year 1975 through fiscal year 1987 are hereby [rescinded] permanently cancelled, and an amount of additional new budget authority, equivalent to the amount [rescinded] permanently cancelled is hereby appropriated, to remain available until expended, for the purposes set forth under this heading, in addition to amounts otherwise available. (*Department of Housing and Urban Development Appropriations Act, 2016.*)

Program and Financing (in millions of dollars)

Identification code 086-0319-0-1-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Contract Renewals .....		150	
0002 Contract Administrators .....		48	60
0900 Total new obligations (object class 41.0) .....		198	60
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	157	211	30
1021 Recoveries of prior year unpaid obligations .....	54	30	33
1029 Other balances withdrawn to Treasury .....		-13	-3
1050 Unobligated balance (total) .....	211	228	60
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....		71	30
1131 Unobligated balance of appropriations permanently reduced (HCF funds) .....		-71	-30
1930 Total budgetary resources available .....	211	228	60
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	211	30	
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	1,140	826	652
3010 Obligations incurred, unexpired accounts .....		198	60
3020 Outlays (gross) .....	-260	-342	-222
3040 Recoveries of prior year unpaid obligations, unexpired .....	-54	-30	-33
3050 Unpaid obligations, end of year .....	826	652	457
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	1,140	826	652
3200 Obligated balance, end of year .....	826	652	457
<b>Budget authority and outlays, net:</b>			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances .....	260	342	222
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	260	342	222

Until 2005, the Housing Certificate Fund provided funding to both the project-based and tenant-based components of the Section 8 program. Project-Based Rental Assistance and Tenant-Based Rental Assistance are now funded in separate accounts. The Housing Certificate Fund retains and recovers balances from previous years' appropriations, and uses those balances to support contract renewals, amendments, and performance-based contract administrators.

PUBLIC HOUSING CAPITAL FUND

For the Public Housing Capital Fund Program to carry out capital and management activities for public housing agencies, as authorized under section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g) (the "Act") [\$1,900,000,000] \$1,865,000,000, to remain available until September 30, [2019] 2020: *Provided*, That notwithstanding any other provision of law or regulation, during fiscal year [2016] 2017, the Secretary of Housing and Urban Development may not delegate to any Department official other than the Deputy Secretary and the Assistant Secretary for Public and Indian Housing any authority under paragraph (2) of section 9(j) regarding the extension of the time periods under such section: *Provided further*, That for purposes of such section 9(j), the term "obligate" means, with respect to amounts, that the amounts are subject to a binding agreement that will result in outlays, immediately or in the future: *Provided further*, That up to [\$3,000,000]

\$10,000,000 shall be to support ongoing Public Housing Financial and Physical Assessment activities: *Provided further*, That up to \$1,000,000 shall be to support the costs of administrative and judicial receiverships: *Provided further*, That of the total amount provided under this heading, not to exceed [\$21,500,000] \$20,000,000 shall be available for the Secretary to make grants, notwithstanding section 204 of this Act, to public housing agencies for emergency capital needs [including safety and security measures necessary to address crime and drug-related activity as well as needs] resulting from unforeseen or unpreventable emergencies and natural disasters excluding Presidentially declared emergencies and natural disasters under the Robert T. Stafford Disaster Relief and Emergency Act (42 U.S.C. 5121 et seq.) occurring in fiscal year [2016: *Provided further*, That of the amount made available under the previous proviso, not less than \$5,000,000 shall be for safety and security measures: *Provided further*, That of the total amount provided under this heading \$35,000,000 shall be for supportive services, service coordinator and congregate services as authorized by section 34 of the Act (42 U.S.C. 1437z-6) and the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.)] 2017: *Provided further*, That of the total amount made available under this heading, [\$15,000,000] \$35,000,000 shall be for a Jobs-Plus initiative modeled after the Jobs-Plus demonstration: *Provided further*, That the funding provided under the previous proviso shall provide competitive grants to partnerships between public housing authorities, local workforce investment boards established under section 117 of the Workforce Investment Act of 1998, and other agencies and organizations that provide support to help public housing residents obtain employment and increase earnings: *Provided further*, That applicants must demonstrate the ability to provide services to residents, partner with workforce investment boards, and leverage service dollars: *Provided further*, That the Secretary may allow public housing agencies to request exemptions from rent and income limitation requirements under sections 3 and 6 of the United States Housing Act of 1937 as necessary to implement the Jobs-Plus program, on such terms and conditions as the Secretary may approve upon a finding by the Secretary that any such waivers or alternative requirements are necessary for the effective implementation of the Jobs-Plus initiative as a voluntary program for residents: *Provided further*, That the Secretary shall publish by notice in the Federal Register any waivers or alternative requirements pursuant to the preceding proviso no later than 10 days before the effective date of such notice: [*Provided further*, That for funds provided under this heading, the limitation in section 9(g)(1) of the Act shall be 25 percent: *Provided further*, That the Secretary may waive the limitation in the previous proviso to allow public housing agencies to fund activities authorized under section 9(e)(1)(C) of the Act: *Provided further*, That the Secretary shall notify public housing agencies requesting waivers under the previous proviso if the request is approved or denied within 14 days of submitting the request:] *Provided further*, That of the amount provided for the Jobs-Plus initiative, the Secretary may set aside up to \$5,000,000 for competitive grants to Indian tribes and tribally designated housing entities, as defined in section 4(13) of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA), to provide support to help residents of housing assisted under NAHASDA obtain employment and increase earnings: *Provided further*, That such assistance shall be modeled after the Jobs-Plus initiative, with necessary and appropriate adjustments made by the Secretary for NAHASDA grant recipients and families living on or near a reservation or other Indian areas: *Provided further*, That the Secretary may waive, or specify alternative requirements for, any provision of any statute that the Secretary administers in connection with the use of funds made available under this heading, upon a finding by the Secretary that any such waivers or alternate requirements are necessary for the effective use of grants under the previous proviso and after publication in the Federal Register not later than 10 days before the effective date of such waiver or alternative requirement: *Provided further*, That of the total amount made available under this heading, \$5,000,000 shall be for the ConnectHome broadband initiative: *Provided further*, That the funding provided under the previous proviso shall be for competitive grants that increase broadband access and adoption, such as grants to public housing agencies to hire coordinators to link residents with broadband and training services: *Provided further*, That from the funds made available under this heading, the Secretary shall provide bonus awards in fiscal year [2016] 2017 to public housing agencies that are designated high performers: [*Provided further*, That the Department shall notify public housing agencies of their formula allocation within 60 days of enactment of this Act]. (*Department of Housing and Urban Development Appropriations Act, 2016.*)

Program and Financing (in millions of dollars)

Identification code 086-0304-0-1-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Capital Grants (Modernization) .....	1,776	1,825	1,794
0003 Emergency/Disaster Reserve .....	12	16	20
0006 Resident Opportunities and Supportive Services .....	45	35	

0007	Administrative Receivership .....	1	1	1
0008	Financial and Physical Assessment Support .....	15	3	10
0010	Jobs-Plus Pilot .....	15	15	35
0011	Safety and Security .....	6	5	.....
0012	ConnectHome .....	.....	.....	5
0900	Total new obligations (object class 41.0) .....	1,870	1,900	1,865
<b>Budgetary resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	101	97	78
1021	Recoveries of prior year unpaid obligations .....	7	.....	.....
1050	Unobligated balance (total) .....	108	97	78
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	1,875	1,900	1,865
1120	Appropriations transferred to other accts [086-0303] .....	-8	-9	-32
1120	Appropriations transferred to other accts [086-0302] .....	-8	-10	-34
1120	Appropriations transferred to other accts [086-0108] .....	.....	.....	-9
1160	Appropriation, discretionary (total) .....	1,859	1,881	1,790
1930	Total budgetary resources available .....	1,967	1,978	1,868
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	97	78	3
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	3,958	3,888	4,536
3010	Obligations incurred, unexpired accounts .....	1,870	1,900	1,865
3020	Outlays (gross) .....	-1,928	-1,252	-1,941
3040	Recoveries of prior year unpaid obligations, unexpired .....	-7	.....	.....
3041	Recoveries of prior year unpaid obligations, expired .....	-5	.....	.....
3050	Unpaid obligations, end of year .....	3,888	4,536	4,460
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	3,958	3,888	4,536
3200	Obligated balance, end of year .....	3,888	4,536	4,460
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	1,859	1,881	1,790
Outlays, gross:				
4010	Outlays from new discretionary authority .....	122	48	46
4011	Outlays from discretionary balances .....	1,805	1,204	1,895
4020	Outlays, gross (total) .....	1,927	1,252	1,941
Mandatory:				
Outlays, gross:				
4101	Outlays from mandatory balances .....	1	.....	.....
4180	Budget authority, net (total) .....	1,859	1,881	1,790
4190	Outlays, net (total) .....	1,928	1,252	1,941

The Budget proposes \$1.865 billion for the Public Housing Capital Fund, a formula program designed to address the capital and management improvement needs of Public Housing properties. This program preserves and enhances a valuable affordable housing resource that serves approximately 1.1 million low-income families. Of the amount requested, approximately \$1.8 billion will fund capital grants to Public Housing Authorities (PHAs). The balance includes \$35 million for Jobs-Plus, an evidence-based program for increasing the employment and earnings of Public Housing residents, of which up to \$5 million may be used to implement a demonstration of the Jobs-Plus model in Indian country; \$5 million for ConnectHome, a project aimed at narrowing the digital divide for students and families in public housing; up to \$20 million for emergency capital needs resulting from non-Presidentially declared emergencies and natural disasters; up to \$10 million for financial and physical assessments of Public Housing and other HUD-assisted properties; and up to \$1 million for administrative and judicial receiverships.

The Budget also includes a legislative proposal to allow limited capital funds to be used for operating purposes, and operating funds for capital improvements.

PUBLIC HOUSING OPERATING FUND

For [2016] 2017 payments to public housing agencies for the operation and management of public housing, as authorized by section 9(e) of the United States Housing Act of 1937 (42 U.S.C. 1437g(e)), [ \$4,500,000,000 ] \$4,569,000,000, to

remain available until September 30, [2017] 2018. (Department of Housing and Urban Development Appropriations Act, 2016.)

Program and Financing (in millions of dollars)

Identification code 086-0163-0-1-604		2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>				
0001	Operating Subsidy .....	4,398	4,442	4,334
0900	Total new obligations (object class 41.0) .....	4,398	4,442	4,334
<b>Budgetary resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	3	3	.....
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	4,440	4,500	4,569
1120	Appropriations transferred to other accts [086-0302] .....	-23	-27	-95
1120	Appropriations transferred to other accts [086-0303] .....	-17	-34	-117
1120	Appropriations transferred to other accts [086-0108] .....	.....	.....	-23
1160	Appropriation, discretionary (total) .....	4,400	4,439	4,334
1930	Total budgetary resources available .....	4,403	4,442	4,334
Memorandum (non-add) entries:				
1940	Unobligated balance expiring .....	-2	.....	.....
1941	Unexpired unobligated balance, end of year .....	3	.....	.....
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	1,146	1,125	1,202
3010	Obligations incurred, unexpired accounts .....	4,398	4,442	4,334
3020	Outlays (gross) .....	-4,414	-4,365	-4,363
3041	Recoveries of prior year unpaid obligations, expired .....	-5	.....	.....
3050	Unpaid obligations, end of year .....	1,125	1,202	1,173
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	1,146	1,125	1,202
3200	Obligated balance, end of year .....	1,125	1,202	1,173
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	4,400	4,439	4,334
Outlays, gross:				
4010	Outlays from new discretionary authority .....	3,278	3,240	3,164
4011	Outlays from discretionary balances .....	1,136	1,125	1,199
4020	Outlays, gross (total) .....	4,414	4,365	4,363
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4033	Non-Federal sources .....	-10	.....	.....
Additional offsets against gross budget authority only:				
4052	Offsetting collections credited to expired accounts .....	10	.....	.....
4070	Budget authority, net (discretionary) .....	4,400	4,439	4,334
4080	Outlays, net (discretionary) .....	4,404	4,365	4,363
4180	Budget authority, net (total) .....	4,400	4,439	4,334
4190	Outlays, net (total) .....	4,404	4,365	4,363

The Budget requests \$4.569 billion for the Public Housing Operating Fund, which provides subsidies to Public Housing Authorities (PHAs) to assist in funding the operating expenses of Public Housing units in accordance with Section 9(e) of the United States Housing Act of 1937. The Budget proposes cross-cutting legislative reforms to HUD's core rental assistance programs, namely increasing the threshold used to determine deductions for unreimbursed medical expenses from 3 to 10 percent of tenant income. In addition, the Budget includes two proposals specific to Public Housing: 1) additional flexibility for PHAs to use their operating funds for Capital Fund activities, and vice versa; and 2) a utilities conservation pilot to encourage PHAs to undertake energy and water conservation measures and reduce Federal costs.

DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING

Program and Financing (in millions of dollars)

Identification code 086-0197-0-1-604		2015 actual	2016 est.	2017 est.
<b>Budgetary resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	1	1	.....

DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING—Continued  
Program and Financing—Continued

Identification code 086-0197-0-1-604	2015 actual	2016 est.	2017 est.
1020 Adjustment of unobligated bal brought forward, Oct 1 .....		-1	
1050 Unobligated balance (total) .....	1		
1930 Total budgetary resources available .....	1		
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	1		
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....			

No new appropriations have been provided for the Public Housing Drug Elimination Grants program since 2001, and all remaining funds were rescinded in 2015.

CHOICE NEIGHBORHOODS INITIATIVE

For competitive grants [under the Choice Neighborhoods Initiative (subject to section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v), unless otherwise specified under this heading),] for transformation, rehabilitation, and replacement housing needs of both public and HUD-assisted housing and to transform neighborhoods of poverty into functioning, sustainable mixed income neighborhoods with appropriate services, schools, public assets, transportation and access to jobs, [ \$125,000,000 ] \$200,000,000, to remain available until September 30, [ 2018 ] 2019: *Provided*, That grant funds may be used for resident and community services, community development, and affordable housing needs in the community, and for conversion of vacant or foreclosed properties to affordable housing: *Provided further*, That the use of funds made available under this heading shall not be deemed to be public housing notwithstanding section 3(b)(1) of such Act: *Provided further*, That grantees shall commit to an additional period of affordability determined by the Secretary of not fewer than 20 years, *except that a grantee may request a shorter affordability period for homeownership units that are constructed, rehabilitated, or acquired using grant funds, under such terms and conditions prescribed by the Secretary: Provided further, That the Secretary may approve such shorter affordability periods for Choice Neighborhoods Initiative grants funded with amounts made available in prior fiscal years: Provided further*, That grantees shall undertake comprehensive local planning with input from residents and the community, and that grantees shall provide a match in State, local, other Federal or private funds: *Provided further*, That grantees may include local governments, tribal entities, public housing authorities, and nonprofits: *Provided further*, That for-profit developers may apply jointly with a public entity: *Provided further*, That for purposes of environmental review, a grantee shall be treated as a public housing agency under section 26 of the United States Housing Act of 1937 (42 U.S.C. 1437x), and grants under this heading shall be subject to the regulations issued by the Secretary to implement such section: *Provided further*, That of the amount provided, not less than \$75,000,000 shall be awarded to public housing agencies: *Provided further*, That such grantees shall create partnerships with other local organizations including assisted housing owners, service agencies, and resident organizations: *Provided further*, That the Secretary shall consult with the Secretaries of Education, Labor, Transportation, Health and Human Services, Agriculture, and Commerce, the Attorney General, and the Administrator of the Environmental Protection Agency to coordinate and leverage other appropriate Federal resources: *Provided further*, That no more than \$5,000,000 of funds made available under this heading may be provided to assist communities in developing comprehensive strategies for implementing this program or implementing other revitalization efforts in conjunction with community notice and input: *Provided further*, That the Secretary shall develop and publish guidelines for the use of such competitive funds, including but not limited to eligible activities, program requirements, and performance metrics: *Provided further*, That unobligated balances, including recaptures, remaining from funds appropriated under the heading "Revitalization of Severely Distressed Public Housing (HOPE VI)" in fiscal year 2011 and prior fiscal years may be used for purposes under this heading, notwithstanding the purposes for which such amounts were appropriated: *Provided further, That section 24(m)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437v(m)(3)) is amended by striking "shall" and inserting "may". (Department of Housing and Urban Development Appropriations Act, 2016.)*

Program and Financing (in millions of dollars)

Identification code 086-0349-0-1-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Choice Neighborhoods Grants .....	148	138	199
0900 Total new obligations (object class 41.0) .....	148	138	199
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	81	13	
1050 Unobligated balance (total) .....	81	13	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	80	125	200
1120 Appropriations transferred to other accts [086-0108] .....			-1
1160 Appropriation, discretionary (total) .....	80	125	199
1930 Total budgetary resources available .....	161	138	199
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	13		
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	231	351	464
3010 Obligations incurred, unexpired accounts .....	148	138	199
3020 Outlays (gross) .....	-28	-25	-93
3050 Unpaid obligations, end of year .....	351	464	570
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	231	351	464
3200 Obligated balance, end of year .....	351	464	570
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	80	125	199
Outlays, gross:			
4011 Outlays from discretionary balances .....	28	25	93
4180 Budget authority, net (total) .....	80	125	199
4190 Outlays, net (total) .....	28	25	93

The Budget provides \$200 million for Choice Neighborhoods to continue the transformation of neighborhoods of concentrated poverty into sustainable, mixed-income neighborhoods with well-functioning services, schools, public assets, transportation, and access to jobs. The goal of the program is to transform distressed neighborhoods and improve the quality of life of current and future residents by coordinating and concentrating neighborhood investments from multiple sources. The Budget will fund approximately six implementation grants and five to ten planning grants.

Choice Neighborhoods also supports the Administration's Promise Zones initiative, which is creating partnerships between the Federal government, local communities and businesses to create jobs, increase economic security, expand educational opportunities, increase access to quality, affordable housing, and improve public safety. The Budget includes companion investments of \$128 million in the Department of Education's Promise Neighborhoods program and \$24 million in the Department of Justice's Byrne Criminal Justice Innovation Grants program, as well as tax incentives to promote investment and economic growth in the Zones.

The Budget includes proposals to 1) make the allocation of Choice Neighborhoods funding for the HOPE VI Main Street Housing Grants program an option instead of a requirement, and 2) allow flexibility to reduce the term of the 20-year affordability requirement for homeownership units. HUD will consider homeownership affordability requirements across other HUD programs in determining minimum affordability periods for Choice grantees.

REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING (HOPE VI)

Program and Financing (in millions of dollars)				
Identification code 086-0218-0-1-604	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0001 HOPE VI/Choice Neighborhoods Grants .....	5			
0900 Total new obligations (object class 41.0) .....	5			
<b>Budgetary resources:</b>				
Unobligated balance:				
1000 Unobligated balance brought forward, Oct 1 .....	5			
1930 Total budgetary resources available .....	5			
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000 Unpaid obligations, brought forward, Oct 1 .....	286	177	88	
3010 Obligations incurred, unexpired accounts .....	5			
3020 Outlays (gross) .....	-113	-89	-88	
3041 Recoveries of prior year unpaid obligations, expired .....	-1			
3050 Unpaid obligations, end of year .....	177	88		
Memorandum (non-add) entries:				
3100 Obligated balance, start of year .....	286	177	88	
3200 Obligated balance, end of year .....	177	88		
<b>Budget authority and outlays, net:</b>				
Discretionary:				
Outlays, gross:				
4011 Outlays from discretionary balances .....	113	89	88	
4180 Budget authority, net (total) .....				
4190 Outlays, net (total) .....	113	89	88	

The HOPE VI program, in coordination with funding from the Public Housing Capital Fund, has accomplished its goal of contributing to the demolition of approximately 100,000 severely distressed Public Housing units. The Budget proposes no additional funds for this program. Instead, the Budget builds on the success of HOPE VI with the Choice Neighborhoods program, which makes a broad range of transformative investments in high-poverty neighborhoods where Public Housing and other HUD-assisted housing is located.

FAMILY SELF-SUFFICIENCY

For the Family Self-Sufficiency program to support family self-sufficiency coordinators under section 23 of the United States Housing Act of 1937, to promote the development of local strategies to coordinate the use of assistance under sections 8(o) and 9 of such Act with public and private resources, and enable eligible families to achieve economic independence and self-sufficiency, \$75,000,000, to remain available until September 30, [2017] 2018: *Provided*, That the Secretary may, by Federal Register notice, waive or specify alternative requirements under sections b(3), b(4), b(5), or c(1) of section 23 of such Act in order to facilitate the operation of a unified self-sufficiency program for individuals receiving assistance under different provisions of the Act, as determined by the Secretary: *Provided further*, That owners of a privately owned multifamily property with a section 8 contract may voluntarily make a Family Self-Sufficiency program available to the assisted tenants of such property in accordance with procedures established by the Secretary: *Provided further*, That such procedures established pursuant to the previous proviso shall permit participating tenants to accrue escrow funds in accordance with section 23(d)(2) and shall allow owners to use funding from residual receipt accounts to hire coordinators for their own Family Self-Sufficiency program. (*Department of Housing and Urban Development Appropriations Act, 2016.*)

Program and Financing (in millions of dollars)				
Identification code 086-0350-0-1-604	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0001 Family Self-Sufficiency .....		150	75	
0900 Total new obligations (object class 41.0) .....		150	75	
<b>Budgetary resources:</b>				
Unobligated balance:				
1000 Unobligated balance brought forward, Oct 1 .....		75		

<b>Budget authority:</b>				
Appropriations, discretionary:				
1100 Appropriation .....	75	75	75	
1930 Total budgetary resources available .....	75	150	75	
<b>Memorandum (non-add) entries:</b>				
1941 Unexpired unobligated balance, end of year .....	75			
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000 Unpaid obligations, brought forward, Oct 1 .....	75	32	150	
3010 Obligations incurred, unexpired accounts .....		150	75	
3020 Outlays (gross) .....	-43	-32	-45	
3050 Unpaid obligations, end of year .....	32	150	180	
<b>Memorandum (non-add) entries:</b>				
3100 Obligated balance, start of year .....	75	32	150	
3200 Obligated balance, end of year .....	32	150	180	
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000 Budget authority, gross .....	75	75	75	
Outlays, gross:				
4011 Outlays from discretionary balances .....	43	32	45	
4180 Budget authority, net (total) .....	75	75	75	
4190 Outlays, net (total) .....	43	32	45	

The Budget requests \$75 million for the Family Self-Sufficiency (FSS) Program to help Housing Choice Voucher, Public Housing, and Project-Based Rental Assistance (PBRA) residents achieve self-sufficiency and economic independence. FSS provides service coordination through community partnerships that link assisted residents with employment assistance, job training, child care, transportation, financial literacy, and other supportive services. Residents participating in FSS are provided an interest bearing escrow account; any rent increase resulting from increased earned income during their participation in the program is credited to the escrow account.

The Budget supports FSS through competitive funding for public housing agencies and authority for PBRA owners to use funds from their residual receipt accounts or other sources to hire service coordinators.

NATIVE AMERICAN HOUSING BLOCK GRANTS

For the Native American Housing Block Grants program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (25 U.S.C. 4111 et seq.), [ \$650,000,000 ] \$700,000,000, to remain available until September 30, [2020] 2021: *Provided*, That, notwithstanding the Native American Housing Assistance and Self-Determination Act of 1996, to determine the amount of the allocation under title I of such Act for each Indian tribe, the Secretary shall apply the formula under section 302 of such Act with the need component based on single-race census data and with the need component based on multi-race census data, and the amount of the allocation for each Indian tribe shall be the greater of the two resulting allocation amounts: *Provided further*, That of the amounts made available under this heading, \$3,500,000 shall be contracted for assistance for national or regional organizations representing Native American housing interests for providing training and technical assistance to Indian housing authorities and tribally designated housing entities as authorized under NAHASDA: *Provided further*, That of the funds made available under the previous proviso, not less than \$2,000,000 shall be made available for a national organization as authorized under section 703 of NAHASDA (25 U.S.C. 4212): *Provided further*, That of the amounts made available under this heading, \$2,000,000 shall be to support the inspection of Indian housing units, contract expertise, training, and technical assistance in the training, oversight, and management of such Indian housing and tenant-based assistance: *Provided further*, That of the amount provided under this heading, \$2,000,000 shall be made available for the cost of guaranteed notes and other obligations, as authorized by title VI of NAHASDA: *Provided further*, That such costs, including the costs of modifying such notes and other obligations, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize the total principal amount of any notes and other obligations, any part of which is to be guaranteed, not to exceed [ \$17,452,007 ]: *Provided further*, That the Department will notify grantees of their formula allocation within 60 days of the date of enactment of this Act: *Provided further*, notwithstanding section 302(d) of NAHASDA, if on January 1, 2016, a recipient's total amount of undisbursed block grants in the Department's line of credit control system is greater than three times the formula allocation it would otherwise receive under this heading, the Secretary shall adjust that recipient's formula allocation

NATIVE AMERICAN HOUSING BLOCK GRANTS—Continued

tion down by the difference between its total amount of undisbursed block grants in the Department's line of credit control system on January 1, 2016, and three times the formula allocation it would otherwise receive: *Provided further*, That grant amounts not allocated to a recipient pursuant to the previous proviso shall be allocated under the need component of the formula proportionately among all other Indian tribes not subject to an adjustment: *Provided further*, That the two previous provisos shall not apply to any Indian tribe that would otherwise receive a formula allocation of less than \$8,000,000: *Provided further*, That to take effect, the three previous provisos do not require issuance or amendment of any regulation, and shall not be construed to confer hearing rights under any section of NAHASDA or its implementing regulations] \$17,857,142. (Department of Housing and Urban Development Appropriations Act, 2016.)

Program and Financing (in millions of dollars)

Identification code 086-0313-0-1-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0010 Indian Housing Block Grants .....	651	642	698
0011 Technical Assistance .....		2	
0015 National and Regional Organizations .....		4	
0091 Direct program activities, subtotal .....	651	648	698
Credit program obligations:			
0702 Loan guarantee subsidy .....	2	3	3
0707 Reestimates of loan guarantee subsidy .....		4	
0791 Direct program activities, subtotal .....	2	7	3
0900 Total new obligations (object class 41.0) .....	653	655	701
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	29	39	32
1001 Discretionary unobligated balance brought fwd, Oct 1 .....		39	
1021 Recoveries of prior year unpaid obligations .....	13		
1050 Unobligated balance (total) .....	42	39	32
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	650	650	700
1120 Appropriations transferred to other acct [086-0108] .....			-4
1131 Unobligated balance of appropriations permanently reduced .....		-6	
1160 Appropriation, discretionary (total) .....	650	644	696
Appropriations, mandatory:			
1200 Appropriation .....		4	
1900 Budget authority (total) .....	650	648	696
1930 Total budgetary resources available .....	692	687	728
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	39	32	27
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	915	826	757
3010 Obligations incurred, unexpired accounts .....	653	655	701
3020 Outlays (gross) .....	-729	-724	-728
3040 Recoveries of prior year unpaid obligations, unexpired .....	-13		
3050 Unpaid obligations, end of year .....	826	757	730
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	915	826	757
3200 Obligated balance, end of year .....	826	757	730
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	650	644	696
Outlays, gross:			
4010 Outlays from new discretionary authority .....	260	190	205
4011 Outlays from discretionary balances .....	469	530	523
4020 Outlays, gross (total) .....	729	720	728
Mandatory:			
4090 Budget authority, gross .....		4	
Outlays, gross:			
4100 Outlays from new mandatory authority .....		4	
4180 Budget authority, net (total) .....	650	648	696
4190 Outlays, net (total) .....	729	724	728

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 086-0313-0-1-604	2015 actual	2016 est.	2017 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Title VI Indian Federal Guarantees Program .....	14	27	27
Guaranteed loan subsidy (in percent):			
232001 Title VI Indian Federal Guarantees Program .....	11.21	11.46	11.20
232999 Weighted average subsidy rate .....	11.21	11.46	11.20
Guaranteed loan subsidy budget authority:			
233001 Title VI Indian Federal Guarantees Program .....	2	3	3
Guaranteed loan subsidy outlays:			
234001 Title VI Indian Federal Guarantees Program .....	2	3	3
Guaranteed loan reestimates:			
235001 Title VI Indian Federal Guarantees Program .....		-1	

The Budget proposes \$700 million for the Native American Housing Block Grant (NAHBG) program. This program allocates funds on a formula basis to approximately 360 recipients representing more than 550 Indian tribes to help them address housing and other needs within their communities.

In real terms, funding for NAHBG has declined approximately 25 percent since the program's first year of funding in 1998. At the same time, American Indian and Alaska Natives (AIANs) continue to face severe housing challenges both in absolute terms and relative to the general population. For example, 8.1 percent of AIAN households are overcrowded compared to 3.3 percent of all households (based on 2010-2014 Census data). The requested increase for this program would partially restore the eroding real value of grant funds and accelerate tribal efforts to alleviate overcrowding and substandard housing conditions in Indian Country.

The Budget also proposes three changes to the Native American Housing and Self-Determination Act (NAHASDA) to support program management and oversight: 1) clarifying that carryover authority does not preclude HUD from recapturing funds when grantees fail to carry out eligible activities in a timely manner; 2) strengthening HUD authority to temporarily suspend recipients' access to grant funds when funds are being spent on ineligible activities; and 3) clarifying HUD authority to recapture funds distributed based on inaccurate formula data.

Within the total amount requested, \$2 million is for the Title VI loan guarantee program. The Title VI program provides a Federal guarantee of notes or other obligations issued by Indian tribes or tribally-designated housing entities for the purpose of financing affordable housing activities. The amount requested is sufficient to guarantee \$17.86 million in loans.

TITLE VI INDIAN FEDERAL GUARANTEES FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 086-4244-0-3-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0742 Downward reestimate paid to receipt account .....		3	
0743 Interest on downward reestimates .....		2	
0900 Total new obligations .....		5	
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	13	15	17
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	2	7	3
1900 Budget authority (total) .....	2	7	3
1930 Total budgetary resources available .....	15	22	20
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	15	17	20
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....			2
3010 Obligations incurred, unexpired accounts .....		5	
3020 Outlays (gross) .....		-3	-2
3050 Unpaid obligations, end of year .....		2	



Memorandum (non-add) entries:			
3100	Obligated balance, start of year .....		2
3200	Obligated balance, end of year .....	2	
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090	Budget authority, gross .....	2	7 3
Financing disbursements:			
4110	Outlays, gross (total) .....	3	2
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120	Federal sources .....	-2	-7 -3
4180	Budget authority, net (total) .....		
4190	Outlays, net (total) .....	-2	-4 -1

**Status of Guaranteed Loans** (in millions of dollars)

Identification code 086-4244-0-3-604			
	2015 actual	2016 est.	2017 est.
Position with respect to appropriations act limitation on commitments:			
2111	Guaranteed loan commitments from current-year authority .....	17	18 18
2121	Limitation available from carry-forward .....	51	54 45
2143	Uncommitted limitation carried forward .....	-54	-45 -36
2150	Total guaranteed loan commitments .....	14	27 27
2199	Guaranteed amount of guaranteed loan commitments .....	14	27 27
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year .....	99	87 105
2231	Disbursements of new guaranteed loans .....		23 23
2251	Repayments and prepayments .....	-12	-5 -5
2263	Adjustments: Terminations for default that result in claim payments .....		
2290	Outstanding, end of year .....	87	105 123
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	87	105 123

**Balance Sheet** (in millions of dollars)

Identification code 086-4244-0-3-604			
	2014 actual	2015 actual	
ASSETS:			
1101	Federal assets: Fund balances with Treasury .....	13	11
1999	Total assets .....	13	11
LIABILITIES:			
2204	Non-Federal liabilities: Liabilities for loan guarantees .....	13	11
4999	Total liabilities and net position .....	13	11

**NATIVE HAWAIIAN HOUSING BLOCK GRANT**

For the Native Hawaiian Housing Block Grant program, as authorized under title VIII of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4111 et seq.), \$500,000, to remain available until September 30, 2021.

**Program and Financing** (in millions of dollars)

Identification code 086-0235-0-1-604			
	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001	Native Hawaiian Housing Block Grant .....	9	1
0900	Total new obligations (object class 41.0) .....	9	1
<b>Budgetary resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100	Appropriation .....	9	1
1930	Total budgetary resources available .....	9	1
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000	Unpaid obligations, brought forward, Oct 1 .....	42	33 30
3010	Obligations incurred, unexpired accounts .....	9	1
3020	Outlays (gross) .....	-18	-3 -6
3050	Unpaid obligations, end of year .....	33	30 25
Memorandum (non-add) entries:			
3100	Obligated balance, start of year .....	42	33 30

3200	Obligated balance, end of year .....	33	30 25
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	Budget authority, gross .....	9	1
Outlays, gross:			
4011	Outlays from discretionary balances .....	18	3 6
4180	Budget authority, net (total) .....	9	1
4190	Outlays, net (total) .....	18	3 6

The Budget provides \$500 thousand for the Native Hawaiian Housing Block Grant. This program provides funds to the Department of Hawaiian Home Lands to develop, maintain and operate affordable housing for eligible low-income Native Hawaiian families.

**INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT**

For the cost of guaranteed loans, as authorized by section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a), **[\$7,500,000]** \$5,500,000, to remain available until expended: *Provided*, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, up to **[\$1,190,476,190]** \$1,341,463,415, to remain available until expended: *Provided further*, That up to \$750,000 of this amount may be for administrative contract expenses including management processes and systems to carry out the loan guarantee program. (*Department of Housing and Urban Development Appropriations Act, 2016.*)

**Program and Financing** (in millions of dollars)

Identification code 086-0223-0-1-371			
	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0702	Loan guarantee subsidy .....	9	7 5
0707	Reestimates of loan guarantee subsidy .....	10	30
0708	Interest on reestimates of loan guarantee subsidy .....		3
0709	Administrative expenses .....	1	2 2
0900	Total new obligations (object class 41.0) .....	20	42 7
<b>Budgetary resources:</b>			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1 .....	6	4 3
1001	Discretionary unobligated balance brought fwd, Oct 1 .....	6	4
Budget authority:			
Appropriations, discretionary:			
1100	Appropriation .....	7	8 6
Appropriations, mandatory:			
1200	Appropriation .....	11	33
1900	Budget authority (total) .....	18	41 6
1930	Total budgetary resources available .....	24	45 9
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....	4	3 2

**Change in obligated balance:**

Unpaid obligations:			
3000	Unpaid obligations, brought forward, Oct 1 .....	2	4 2
3010	Obligations incurred, unexpired accounts .....	20	42 7
3020	Outlays (gross) .....	-18	-44 -6
3050	Unpaid obligations, end of year .....	4	2 3
Memorandum (non-add) entries:			
3100	Obligated balance, start of year .....	2	4 2
3200	Obligated balance, end of year .....	4	2 3

**Budget authority and outlays, net:**

Discretionary:			
4000	Budget authority, gross .....	7	8 6
Outlays, gross:			
4010	Outlays from new discretionary authority .....		7 5
4011	Outlays from discretionary balances .....	7	4 1
4020	Outlays, gross (total) .....	7	11 6
Mandatory:			
4090	Budget authority, gross .....	11	33
Outlays, gross:			
4100	Outlays from new mandatory authority .....	11	33
4180	Budget authority, net (total) .....	18	41 6
4190	Outlays, net (total) .....	18	44 6

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT—Continued  
Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 086-0223-0-1-371	2015 actual	2016 est.	2017 est.
<b>Guaranteed loan levels supportable by subsidy budget authority:</b>			
215001 Indian Housing Loan Guarantee .....	772	1,151	1,200
<b>Guaranteed loan subsidy (in percent):</b>			
232001 Indian Housing Loan Guarantee .....	1.16	0.63	0.41
232999 Weighted average subsidy rate .....	1.16	0.63	0.41
<b>Guaranteed loan subsidy budget authority:</b>			
233001 Indian Housing Loan Guarantee .....	9	7	5
<b>Guaranteed loan subsidy outlays:</b>			
234001 Indian Housing Loan Guarantee .....	6	7	5
<b>Guaranteed loan reestimates:</b>			
235001 Indian Housing Loan Guarantee .....	-10	32	.....
<b>Administrative expense data:</b>			
3510 Budget authority .....	.....	1	1
3590 Outlays from new authority .....	.....	1	1

The Indian Housing Loan Guarantee program (also known as the Section 184 program) provides access to private mortgage financing for Indian families, Indian tribes, and their tribally-designated housing entities who otherwise could not acquire such financing because of the unique legal status of Indian trust land. The Budget provides \$5.5 million to support \$1.3 billion in loan guarantees. Of the requested amount, up to \$750 thousand may be used for administrative contract expenses.

The 2013 Appropriations Act gave HUD authority to collect an annual fee of up to 1 percent (100 basis points), and this fee is currently set at 15 basis points. To ensure that budgetary resources are sufficient to meet program demand, HUD will raise the annual fee to 25 basis points in 2017—a modest increase of 10 basis points from the current level. For the typical homebuyer, this change will translate into an \$11 increase in their monthly mortgage payment. HUD will consult with tribes prior to implementation of this policy.

The Budget also proposes statutory changes to reduce program losses and protect the Section 184 Fund, including HUD authority to: 1) seek indemnification for any loss on a mortgage that was not originated in accordance with HUD requirements; and 2) terminate lenders from the direct guarantee process if mortgages originated by a lender present an unacceptable risk to the Section 184 Fund based on comparisons with other lenders or evidence of fraud. In addition, the Budget updates several statutory program definitions to align them with the Native American Housing Assistance and Self-Determination Act.

INDIAN HOUSING LOAN GUARANTEE FUND FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 086-4104-0-3-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
<b>Credit program obligations:</b>			
0711 Default claim payments on principal .....	28	22	22
0713 Payment of interest to Treasury .....	6	2	2
0715 Property Preservation and Maintenance Costs .....	1	.....	.....
0742 Downward reestimate paid to receipt account .....	16	.....	.....
0743 Interest on downward reestimates .....	5	1	.....
0900 Total new obligations .....	56	25	24
<b>Budgetary resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	272	277	323
<b>Financing authority:</b>			
<b>Spending authority from offsetting collections, mandatory:</b>			
1800 Collected .....	59	71	36
1801 Change in uncollected payments, Federal sources .....	2	.....	.....
1850 Spending auth from offsetting collections, mand (total) .....	61	71	36
1900 Budget authority (total) .....	61	71	36
1930 Total budgetary resources available .....	333	348	359
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	277	323	335

Change in obligated balance:

<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	1	.....	25
3010 Obligations incurred, unexpired accounts .....	56	25	24
3020 Outlays (gross) .....	-57	.....	.....
3050 Unpaid obligations, end of year .....	.....	25	49
<b>Uncollected payments:</b>			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-2	-4	-4
3070 Change in uncollected pymts, Fed sources, unexpired .....	-2	.....	.....
3090 Uncollected pymts, Fed sources, end of year .....	-4	-4	-4
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	-1	-4	21
3200 Obligated balance, end of year .....	-4	21	45

Financing authority and disbursements, net:

<b>Mandatory:</b>			
4090 Budget authority, gross .....	61	71	36
<b>Financing disbursements:</b>			
4110 Outlays, gross (total) .....	57	.....	.....
<b>Offsets against gross financing authority and disbursements:</b>			
<b>Offsetting collections (collected) from:</b>			
4120 Federal sources: Payments from program account .....	-18	-40	-5
4122 Interest on uninvested funds .....	-10	-12	-12
4123 Non-Federal sources .....	-31	-19	-19
4130 Offsets against gross budget authority and outlays (total) .....	-59	-71	-36
<b>Additional offsets against financing authority only (total):</b>			
4140 Change in uncollected pymts, Fed sources, unexpired .....	-2	.....	.....
4170 Outlays, net (mandatory) .....	-2	-71	-36
4180 Budget authority, net (total) .....	.....	.....	.....
4190 Outlays, net (total) .....	-2	-71	-36

Status of Guaranteed Loans (in millions of dollars)

Identification code 086-4104-0-3-604	2015 actual	2016 est.	2017 est.
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Guaranteed loan commitments from current-year authority .....	744	1,190	1,341
2121 Limitation available from carry-forward .....	233	205	244
2143 Uncommitted limitation carried forward .....	-205	-244	-385
2150 Total guaranteed loan commitments .....	772	1,151	1,200
2199 Guaranteed amount of guaranteed loan commitments .....	772	1,151	1,200
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....	4,715	5,672	6,796
2231 Disbursements of new guaranteed loans .....	989	1,151	1,200
2251 Repayments and prepayments .....	-4	-5	-6
2263 Adjustments: Terminations for default that result in claim payments .....	-28	-22	-22
2290 Outstanding, end of year .....	5,672	6,796	7,968
<b>Memorandum:</b>			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	5,672	6,796	7,968

Balance Sheet (in millions of dollars)

Identification code 086-4104-0-3-604	2014 actual	2015 actual
<b>ASSETS:</b>		
<b>Federal assets:</b>		
1101 Fund balances with Treasury .....	67	261
<b>Investments in US securities:</b>		
1106 Receivables, net .....	.....	1
1504 Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable: Foreclosed property .....	19	31
1999 Total assets .....	86	293
<b>LIABILITIES:</b>		
2103 Federal liabilities: Debt Payable to Treasury .....	20	116
<b>Non-Federal liabilities:</b>		
2204 Liabilities for loan guarantees .....	48	159
2207 Unearned revenues and advances .....	18	18
2999 Total liabilities .....	86	293
4999 Total liabilities and net position .....	86	293

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 086-0233-0-1-371	2015 actual	2016 est.	2017 est.
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	6	6	6
1930 Total budgetary resources available .....	6	6	6
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	6	6	6
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....			

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 086-0233-0-1-371	2015 actual	2016 est.	2017 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Native Hawaiian Housing Loan Guarantees .....	11	25	23
Guaranteed loan subsidy (in percent):			
232001 Native Hawaiian Housing Loan Guarantees .....	0.62	0.51	-28
232999 Weighted average subsidy rate .....	0.62	0.51	-28
Guaranteed loan reestimates:			
235001 Native Hawaiian Housing Loan Guarantees .....	-1		

The Native Hawaiian Housing Loan Guarantee program (also known as the Section 184A program), provides access to private mortgage financing to Native Hawaiian families who are eligible to reside on the Hawaiian home lands and who otherwise could not acquire such financing because of the unique legal status of the Hawaiian home lands. The Budget does not request any new credit subsidy budget authority for this program.

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 086-4351-0-3-371	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0711 Default claim payments on principal .....		1	1
0713 Payment of interest to Treasury .....	1		
0742 Downward reestimate paid to receipt account .....	1		
0900 Total new obligations .....	2	1	1
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	4	4	4
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	2	1	1
1930 Total budgetary resources available .....	6	5	5
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	4	4	4
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....			1
3010 Obligations incurred, unexpired accounts .....	2	1	1
3020 Outlays (gross) .....	-2		
3050 Unpaid obligations, end of year .....		1	2
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....			1
3200 Obligated balance, end of year .....		1	2
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	2	1	1
Financing disbursements:			
4110 Outlays, gross (total) .....	2		
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4122 Interest on uninvested funds .....		-1	-1
4123 Non-Federal sources .....	-2		
4130 Offsets against gross budget authority and outlays (total) ....	-2	-1	-1
4170 Outlays, net (mandatory) .....		-1	-1

4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....		-1	-1

Status of Guaranteed Loans (in millions of dollars)

Identification code 086-4351-0-3-371	2015 actual	2016 est.	2017 est.
Position with respect to appropriations act limitation on commitments:			
2111 Guaranteed loan commitments from current-year authority .....	16		
2121 Limitation available from carry-forward .....	922	927	902
2143 Uncommitted limitation carried forward .....	-927	-902	-879
2150 Total guaranteed loan commitments .....	11	25	23
2199 Guaranteed amount of guaranteed loan commitments .....	11	25	23
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	104	114	138
2231 Disbursements of new guaranteed loans .....	10	25	23
2263 Adjustments: Terminations for default that result in claim payments .....		-1	-1
2290 Outstanding, end of year .....	114	138	160
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	114	138	160

Balance Sheet (in millions of dollars)

Identification code 086-4351-0-3-371	2014 actual	2015 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	3	6
1504 Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable: Foreclosed property .....	1	
1999 Total assets .....	4	6
<b>LIABILITIES:</b>		
2103 Federal liabilities: Debt payable to Treasury .....	3	4
2204 Non-Federal liabilities: Liabilities for loan guarantees .....	1	2
2999 Total liabilities .....	4	6
4999 Total liabilities and net position .....	4	6

COMMUNITY PLANNING AND DEVELOPMENT

Federal Funds

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

For carrying out the Housing Opportunities for Persons with AIDS program, as authorized by the AIDS Housing Opportunity Act (42 U.S.C. 12901 et seq.), \$335,000,000, to remain available until September 30, [2017] 2018, except that amounts allocated pursuant to section 854(c)(3) of such Act shall remain available until September 30, [2018] 2019: *Provided*, That the Secretary shall renew all expiring contracts for permanent supportive housing that initially were funded under section 854(c)(3) of such Act from funds made available under this heading in fiscal year 2010 and prior fiscal years that meet all program requirements before awarding funds for new contracts under such section [ ]: *Provided further*, That the Department shall notify grantees of their formula allocation within 60 days of enactment of this Act [ ]. (*Department of Housing and Urban Development Appropriations Act, 2016.*)

Program and Financing (in millions of dollars)

Identification code 086-0308-0-1-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 HOPWA Formula Grants .....	261	316	302
0002 HOPWA Competitive Grants .....	29	40	33
0900 Total new obligations (object class 41.0) .....	290	356	335
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	65	106	85
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	330	335	335
1120 Appropriations transferred to other accts [086-0108] .....			-2
1160 Appropriation, discretionary (total) .....	330	335	333

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS—Continued  
Program and Financing—Continued

Identification code 086-0308-0-1-604	2015 actual	2016 est.	2017 est.
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	1		
1900 Budget authority (total) .....	331	335	333
1930 Total budgetary resources available .....	396	441	418
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	106	85	83
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	524	512	540
3010 Obligations incurred, unexpired accounts .....	290	356	335
3020 Outlays (gross) .....	-302	-328	-315
3050 Unpaid obligations, end of year .....	512	540	560
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	524	512	540
3200 Obligated balance, end of year .....	512	540	560
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	331	335	333
Outlays, gross:			
4010 Outlays from new discretionary authority .....	6	3	3
4011 Outlays from discretionary balances .....	296	325	312
4020 Outlays, gross (total) .....	302	328	315
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources .....	-1		
4180 Budget authority, net (total) .....	330	335	333
4190 Outlays, net (total) .....	301	328	315

The 2017 Budget provides \$335 million for the Housing Opportunities for Persons with AIDS (HOPWA) program, the only Federal program dedicated to address the housing needs of low-income Americans living with HIV and AIDS. HOPWA funding provides States and localities with resources to devise long-term comprehensive strategies for planning and providing housing and supportive services to meet the housing needs of persons living with HIV and AIDS and their families. HOPWA funds have been demonstrated to help reduce the risk of homelessness, increase housing stability, and improve access to HIV care and health outcomes for program participants.

Ninety percent of HOPWA funds are distributed to States and eligible metropolitan areas according to a formula, which is based on cumulative AIDS cases. The remaining ten percent are awarded competitively to States, local governments, and private nonprofit entities for projects of national significance and long-term comprehensive strategies for projects in non-formula areas. The statutory HOPWA formula does not reflect the current nature and distribution of the epidemic. To modernize the program, the Budget is proposing an updated formula based on cases of persons living with HIV and adjusted for an area's fair market rent and poverty rates, focusing HOPWA funds on areas that have the most need. The proposal also includes several changes that will allow better targeting of HOPWA resources and more flexibility for grantees to provide the most cost-effective, timely interventions.

HUD is working in partnership with Federal agencies through the HIV Care Continuum to improve outcomes that promote greater achievements in viral suppression through the coordination and alignment of housing support with medical care for people living with HIV. Furthermore, HUD is placing greater emphasis on coordinating local planning and service delivery of HOPWA housing resources with local homeless Continuums of Care. This effort is expected to increase local collaborations in the delivery of housing and services, and reduce duplication of local systems of support.

COMMUNITY DEVELOPMENT FUND

For assistance to units of State and local government, and to other entities, for economic and community development activities, and for other purposes,

【\$3,060,000,000】 \$2,880,000,000, to remain available until September 30, 【2018】 2019, unless otherwise specified: *Provided*, That of the total amount provided, 【\$3,000,000,000】 \$2,800,000,000 is for carrying out the community development block grant program under title I of the Housing and Community Development Act of 1974, as amended ("the Act" herein) (42 U.S.C. 5301 et seq.): *Provided further*, That unless explicitly provided for under this heading, not to exceed 20 percent of any grant made with funds appropriated under this heading shall be expended for planning and management development and administration: *Provided further*, That a metropolitan city, urban county, unit of general local government, or Indian tribe, or insular area that directly or indirectly receives funds under this heading may not sell, trade, or otherwise transfer all or any portion of such funds to another such entity in exchange for any other funds, credits or non-Federal considerations, but must use such funds for activities eligible under title I of the Act: *Provided further*, That notwithstanding section 105(e)(1) of the Act, no funds provided under this heading may be provided to a for-profit entity for an economic development project under section 105(a)(17) unless such project has been evaluated and selected in accordance with guidelines required under subparagraph (e)(2): *Provided further*, That none of the funds made available under this heading may be used for grants for the Economic Development Initiative ("EDI") or Neighborhood Initiatives activities, Rural Innovation Fund, or for grants pursuant to section 107 of the Housing and Community Development Act of 1974 (42 U.S.C. 5307): *Provided further*, That the Department shall notify grantees of their formula allocation within 60 days of enactment of this Act: *Provided further*, That of the total amount provided under this heading 【\$60,000,000】 \$80,000,000 shall be for grants to Indian tribes notwithstanding section 106(a)(1) of such Act, of which, notwithstanding any other provision of law (including section 204 of this Act), up to \$4,000,000 may be used for emergencies that constitute imminent threats to health and safety: *Provided further*, that of the total amounts made available under the previous proviso, up to \$20,000,000 shall be for grants to Indian tribes, tribal organizations, and tribally-designated housing entities for projects that support Native American youth, including the rehabilitation, acquisition, or new construction of community facilities, pre-school centers, health clinics, transitional housing, and housing for primary and secondary school teachers living on or near a reservation or other Indian areas regardless of teacher income or tribal membership: *Provided further*, That any amounts made available under the previous proviso may be used for new housing construction notwithstanding any provision in the Housing and Community Development Act of 1974. (Department of Housing and Urban Development Appropriations Act, 2016.)

Program and Financing (in millions of dollars)

Identification code 086-0162-0-1-451	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Community Development Formula Grants .....	2,662	3,509	2,810
0002 Indian Tribes .....	2	129	80
0003 Indian Tribes Mold Remediation .....	11	1	
0004 Hurricane Sandy .....	3,244	3,620	2,730
0005 2011 and 2012 Disasters .....	80	159	91
0006 2013 Disasters .....	154	256	165
0007 National Disaster Resilience Competition .....		500	499
0008 Native Youth .....			20
0010 Other Disaster Assistance .....	51	58	44
0011 2015 Disasters .....		299	
0900 Total new obligations (object class 41.0) .....	6,204	8,531	6,439
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	12,159	9,022	3,850
1021 Recoveries of prior year unpaid obligations .....	1		
1050 Unobligated balance (total) .....	12,160	9,022	3,850
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	3,066	3,360	2,880
1120 Appropriations transferred to other accts [086-0108] .....			-14
1120 Appropriations transferred to other acct [086-0338] .....		-1	-2
1160 Appropriation, discretionary (total) .....	3,066	3,359	2,864
1930 Total budgetary resources available .....	15,226	12,381	6,714
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	9,022	3,850	275
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	12,861	12,493	13,846
3010 Obligations incurred, unexpired accounts .....	6,204	8,531	6,439
3020 Outlays (gross) .....	-6,548	-7,178	-6,790
3040 Recoveries of prior year unpaid obligations, unexpired .....	-1		

3041	Recoveries of prior year unpaid obligations, expired .....	-23		
3050	Unpaid obligations, end of year .....	12,493	13,846	13,495
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	12,861	12,493	13,846
3200	Obligated balance, end of year .....	12,493	13,846	13,495
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	3,066	3,359	2,864
Outlays, gross:				
4010	Outlays from new discretionary authority .....	91	34	29
4011	Outlays from discretionary balances .....	6,457	7,144	6,761
4020	Outlays, gross (total) .....	6,548	7,178	6,790
4180	Budget authority, net (total) .....	3,066	3,359	2,864
4190	Outlays, net (total) .....	6,548	7,178	6,790

The Budget includes \$2.8 billion for the Community Development Block Grant (CDBG) program, an additional \$80 million for the Indian CDBG program, and legislative changes related to the CDBG and CDBG Disaster Recovery (CDBG-DR) programs.

**CDBG.**—The CDBG program provides over 1,250 annual formula grants to States, local governments, and Insular Areas to benefit mainly low- to moderate-income persons, and support a wide range of community and economic development activities, such as public infrastructure improvements (which account for approximately 33 percent of all CDBG funds), housing rehabilitation and construction (approximately 25 percent of funds), job creation and retention, and public services (e.g., child care). Seventy percent of CDBG formula grants are distributed to mainly urban areas (entitlement communities), and 30 percent are distributed to States (non-entitlement communities).

HUD has developed a set of legislative proposals to ensure the program delivers value and results to the nation's communities, and more specifically to low- and moderate-income populations. These legislative changes will reduce the number of small grantees to better align program operations with the current funding level; help grantees target funding resources to areas of greatest need; enhance program accountability; synchronize critical program cycles with the consolidated plan cycle; and provide more options for regional coordination, administration, and planning. Regional coordination will allow grantees to achieve administrative savings and pool resources to make strategic investment decisions. The Department will also evaluate a series of potential regulatory updates to the CDBG program, as significant portions of the CDBG regulations have not been updated in more than 20 years.

The Budget proposes to increase the set-aside for colonias to allow more funding to be directed to these rural border communities, many of which lack adequate water and sewer systems and/or decent housing. This change would increase the maximum set-aside for the colonias from 10 percent to 15 percent, and would affect the state CDBG programs of Texas, New Mexico, Arizona, and California.

The Budget proposes to make the CDBG program part of the Upward Mobility Project, a new initiative to allow states, localities or consortia of the two to blend funding across four block grants, including the Department of Health and Human Services' (HHS) Social Services Block Grant and Community Services Block Grant, as well as HUD's HOME Investment Partnerships Program and CDBG, that share a common goal of promoting opportunity and reducing poverty. In exchange for more accountability for results, state and localities would be able to use the funds beyond the current allowable purposes of these programs to implement evidence-based or promising strategies for helping individuals succeed in the labor market and improving economic mobility, children's outcomes, and the ability of communities to expand opportunity. Participating communities would also be eligible to receive a total of \$1.5 billion over five years in new funding through HHS in addition to flexibility with currently provided resources.

In 2016 and 2017, the Department will work with grantees to promote the use of CDBG funds to address a range of Administration policy priorities. Consistent with the Administration's Build America Initiative launched in 2014, HUD will continue efforts to promote the use of CDBG funds to

support infrastructure pre-development and resilient infrastructure. HUD will also work with select grantees to promote: 1) a more integrated approach to the consolidated plan process, 2) innovative strategies to help address the lack of affordable housing units, and 3) implementation of place-based strategies.

**Indian Community Development Block Grant (ICDBG).**—The Budget includes \$80 million for the ICDBG program. This program provides grants to help develop viable American Indian and Alaska Native Communities with decent housing, a suitable living environment, and economic opportunities, primarily for low- and moderate-income persons. Within this program, up to \$20 million will be used for projects that directly support Native youth, such as community facilities, pre-school centers, and transitional housing, and to attract and retain high-quality teachers in Indian Country by improving the availability and physical condition of teacher housing. This set-aside is one of several investments supporting Generation Indigenious, an Administration initiative focused on removing barriers to success for Native youth.

**CDBG Disaster Recovery.**—Since 2000, over \$45 billion in CDBG Disaster Recovery (CDBG-DR) funding has been provided to communities impacted by major disasters, and CDBG-DR has played an increasingly significant role in long-term recovery. To ensure a more orderly and efficient recovery process, in 2016, the Administration will work with agencies across the Federal Government, as well as public stakeholders to develop a standing authorization proposal for the provision of CDBG-DR funds. This proposed authorization would incorporate lessons learned from previous disasters, provide clarity and predictability over CDBG-DR funding and program guidelines, and improve the alignment of CDBG-DR funds with other Federal disaster programs.

The Budget also proposes to consolidate administrative funds that are associated with specific CDBG-DR supplemental appropriations to support the Department's oversight of the full and growing CDBG-DR portfolio.

This account contains previously appropriated CDBG-DR funding. The majority of these balances are from the \$15.2 billion in CDBG-DR funding (post-sequestration) provided by Public Law 113–2 to support communities affected by Hurricane Sandy and other Presidentially-declared disasters that occurred in calendar years 2011, 2012, and 2013. This includes \$1 billion that was recently awarded through the National Disaster Resilience Competition (NDRC) to rebuild disaster-impacted areas, while also supporting innovative resilience projects, policy changes and activities that better prepare communities for the future impacts of extreme weather and climate change. This account also contains \$300 million in CDBG-DR funding appropriated in 2016 (Public Law 114–113) for relief from the consequences of Hurricane Joaquin, Hurricane Patricia, and other flood events in 2015.

BROWNFIELDS REDEVELOPMENT

Program and Financing (in millions of dollars)

Identification code 086–0314–0–1–451	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 BEDI Grants .....	1		
0900 Total new obligations (object class 41.0) .....	1		
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	4		
Budget authority:			
Appropriations, discretionary:			
1131 Unobligated balance of appropriations permanently reduced .....	-3		
1930 Total budgetary resources available .....	1		
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	20	15	10
3010 Obligations incurred, unexpired accounts .....	1		

BROWNFIELDS REDEVELOPMENT—Continued  
Program and Financing—Continued

Identification code 086-0314-0-1-451	2015 actual	2016 est.	2017 est.
3020 Outlays (gross) .....	-6	-5	-5
3050 Unpaid obligations, end of year .....	15	10	5
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	20	15	10
3200 Obligated balance, end of year .....	15	10	5
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	-3		
Outlays, gross:			
4011 Outlays from discretionary balances .....	6	5	5
4180 Budget authority, net (total) .....	-3		
4190 Outlays, net (total) .....	6	5	5

The 2017 Budget requests no funding for the Brownfields Economic Development Initiative (BEDI), which was a competitive grant program designed to assist cities with the redevelopment of brownfield sites for the purposes of economic development and job creation. Local governments have access to other public and private funds, including Community Development Block Grant (CDBG) funds, for similar purposes. The Consolidated and Further Continuing Appropriations Act, 2015 (Public Law 113-235) permanently rescinded all unobligated balances of BEDI funds, including carryover and recaptures.

HOME INVESTMENT PARTNERSHIPS PROGRAM

For the HOME Investment Partnerships program, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, \$950,000,000, to remain available until September 30, [2019] 2020: *Provided*, [That notwithstanding the amount made available under this heading, the threshold reduction requirements in sections 216(10) and 217(b)(4) of such Act shall not apply to allocations of such amount: *Provided further*, [That the requirements under provisos 2 through 6 under this heading for fiscal year 2012 and such requirements applicable pursuant to the "Full-Year Continuing Appropriations Act, 2013", shall not apply to any project to which funds were committed on or after August 23, 2013, but such projects shall instead be governed by the Final Rule titled "Home Investment Partnerships Program; Improving Performance and Accountability; Updating Property Standards" which became effective on such date: *Provided further*, That [with respect to funds made available under this heading pursuant to such Act and funds provided in prior and subsequent appropriations acts that were or are used by community land trusts for the development of affordable homeownership housing pursuant to section 215(b) of such Act, such community land trusts, notwithstanding section 215(b)(3)(A) of such Act, may hold and exercise purchase options, rights of first refusal or other preemptive rights to purchase the housing to preserve affordability, including but not limited to the right to purchase the housing in lieu of foreclosure: *Provided further*, That the Department shall notify grantees of their formula allocation within 60 days of enactment of this Act] *funds provided in prior appropriations Acts for technical assistance, that were made available for Community Housing Development Organizations technical assistance, and that still remain available, may be used for HOME technical assistance notwithstanding the purposes for which such amounts were appropriated: Provided further, That of the total amount provided under this heading, \$10,000,000 shall be made available to the Self-help Homeownership and Assisted Homeownership Opportunity Program as authorized under section 11 of the Housing Opportunity Program Extension Act of 1996, as amended. (Department of Housing and Urban Development Appropriations Act, 2016.)*

Program and Financing (in millions of dollars)

Identification code 086-0205-0-1-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 HOME Investment Program .....	847	1,032	942
0002 Technical Assistance .....	1		
0003 SHOP .....			10
0900 Total new obligations (object class 41.0) .....	848	1,032	952

Budgetary resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	180	235	153
1021 Recoveries of prior year unpaid obligations .....	6		
1050 Unobligated balance (total) .....	186	235	153
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	900	950	950
1120 Appropriations transferred to other accts [086-0108] .....			-5
1160 Appropriation, discretionary (total) .....	900	950	945
1930 Total budgetary resources available .....	1,086	1,185	1,098
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-3		
1941 Unexpired unobligated balance, end of year .....	235	153	146

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	3,568	3,184	3,187
3010 Obligations incurred, unexpired accounts .....	848	1,032	952
3020 Outlays (gross) .....	-1,213	-1,029	-988
3040 Recoveries of prior year unpaid obligations, unexpired .....	-6		
3041 Recoveries of prior year unpaid obligations, expired .....	-13		
3050 Unpaid obligations, end of year .....	3,184	3,187	3,151
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	3,568	3,184	3,187
3200 Obligated balance, end of year .....	3,184	3,187	3,151

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross .....	900	950	945
Outlays, gross:			
4010 Outlays from new discretionary authority .....	4	10	9
4011 Outlays from discretionary balances .....	1,209	1,019	979
4020 Outlays, gross (total) .....	1,213	1,029	988
4180 Budget authority, net (total) .....	900	950	945
4190 Outlays, net (total) .....	1,213	1,029	988

The Budget requests \$950 million for the HOME Investment Partnerships Program (HOME), of which \$10 million is set aside for the Self-help Homeownership Opportunity Program (SHOP). The HOME program provides flexible annual formula grant assistance to States and units of local government to increase the supply of affordable housing and expand homeownership for low- to very-low income persons through a wide range of activities that build, buy, and/or rehabilitate affordable housing. Sixty percent of the formula grant funds is awarded to participating local governments and 40 percent is awarded to states. Projects funded by HOME often leverage private dollars and are used in conjunction with other funds such as the Low-Income Housing Tax Credit (LIHTC), Community Development Block Grant, and local funds. Over time, the requested HOME funding is estimated to result in the production of approximately 34,000 units of affordable housing through new construction, rehabilitation, and/or acquisition. It is also estimated that communities will use a portion of their funding to support tenant-based rental assistance for approximately 7,800 units.

The 2017 Budget proposes statutory changes that would eliminate the 24-month commitment requirement; eliminate the 15 percent Community Housing Development Organization (CHDO) set-aside; establish a single qualification threshold of \$500,000 irrespective of the appropriation amount; revise the current "grandfathering" provision so that participating jurisdictions that fall below the threshold three years out of a five-year period are ineligible for direct formula funds; and allow recaptured HOME CHDO technical assistance funds be reallocated as HOME technical assistance funds. When implemented, these changes will improve the targeting focus and effectiveness of the overall administration of the program.

In addition, the HOME program is part of the proposed Upward Mobility Project, a new initiative to allow states, localities or consortia of the two to blend funding across four block grants, including the Department of Health and Human Services' (HHS) Social Services Block Grant and Community Services Block Grant, as well as HUD's Community Development Block Grant and HOME, that share a common goal of promoting opportunity and reducing poverty. In exchange for more accountability for results, state and localities would be able to use the funds beyond the current

allowable purposes of these programs to implement evidence-based or promising strategies for helping individuals succeed in the labor market and improving economic mobility, children's outcomes, and the ability of communities to expand opportunity. Participating communities would also be eligible to receive a total of \$1.5 billion in new funding over five years through HHS, in addition to flexibility with currently provided resources.

SHOP is a competitive grant program that provides funds to increase the ability of non-profit organizations to assist low-income homebuyers willing to contribute "sweat equity" toward the construction of their homes. Communities can further leverage SHOP grants by using other sources of funding, including HOME funds, which can also be used for sweat equity projects. The Budget also proposes statutory changes that would improve the administration of the SHOP program. These include allowing HUD to develop program regulations, extending the standard grant term to 36 months, establishing a deadline for completion of SHOP units, and explicitly including planning, administrative, and management costs as eligible activities, to be capped at 20 percent.

LOCAL HOUSING POLICY GRANTS  
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 086-0455-4-1-451	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Grants			300
0900 Total new obligations (object class 41.0)			300
<b>Budgetary resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation			300
1930 Total budgetary resources available			300
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts			300
3020 Outlays (gross)			-6
3050 Unpaid obligations, end of year			294
Memorandum (non-add) entries:			
3200 Obligated balance, end of year			294
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross			300
Outlays, gross:			
4100 Outlays from new mandatory authority			6
4180 Budget authority, net (total)			300
4190 Outlays, net (total)			6

The 2017 Budget proposes a \$300 million mandatory appropriation for a new Local Housing Policy Grants program. This program would provide grants to localities and regional coalitions of localities to support new policies, programs, or regulatory initiatives that create a more elastic and diverse housing supply. The goal of this initiative is to demonstrate that concentrated and coordinated efforts across a number of housing markets can significantly expand the supply and affordability of housing, increase access to jobs, and fuel economic growth. This program would support a range of activities that reduce barriers to housing development, such as design options, process changes, and land use regulations, and funds would be used to support related investments, including infrastructure expansion and/or improvement, market evaluation, code writing assistance, and stakeholder education and outreach. The funds would also establish a learning network that would provide ongoing capacity building, facilitate shared learning opportunities, and disseminate best practices.

SELF-HELP AND ASSISTED HOMEOWNERSHIP OPPORTUNITY PROGRAM

For the Self-Help and Assisted Homeownership Opportunity Program, as authorized under section 11 of the Housing Opportunity Program Extension Act of 1996, as amended, \$50,000,000, to remain available until September 30, 2018: *Provided*, That of the total amount provided under this heading, \$10,000,000 shall be made available to the Self-Help and Assisted Homeownership Opportunity Program as authorized under section 11 of the Housing Opportunity Program Extension Act of 1996, as amended: *Provided further*, That of the total amount provided under this heading, \$35,000,000 shall be made available for the second, third, and fourth capacity building activities authorized under section 4(a) of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note), of which not less than \$5,000,000 shall be made available for rural capacity building activities: *Provided further*, That of the total amount provided under this heading, \$5,000,000 shall be made available for capacity building by national rural housing organizations with experience assessing national rural conditions and providing financing, training, technical assistance, information, and research to local nonprofits, local governments and Indian Tribes serving high need rural communities: *Provided further*, That an additional \$5,700,000, to remain available until expended, shall be for a program to rehabilitate and modify homes of disabled or low-income veterans as authorized under section 1079 of Public Law 113-291. (Department of Housing and Urban Development Appropriations Act, 2016.)

Program and Financing (in millions of dollars)

Identification code 086-0176-0-1-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Self Help Housing Opportunity Program	10	10	10
0002 Capacity Building	35	35	35
0003 Rural Capacity Building	5	5	5
0007 Veteran Home Rehab and Mod Pilot			6
0900 Total new obligations (object class 41.0)	50	50	56
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	50	50	56
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	50	56	
1930 Total budgetary resources available	100	106	56
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	50	56	
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	112	90	88
3010 Obligations incurred, unexpired accounts	50	50	56
3020 Outlays (gross)	-71	-52	-49
3041 Recoveries of prior year unpaid obligations, expired	-1		
3050 Unpaid obligations, end of year	90	88	95
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	112	90	88
3200 Obligated balance, end of year	90	88	95
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross	50	56	
Outlays, gross:			
4011 Outlays from discretionary balances	71	52	49
4180 Budget authority, net (total)	50	56	
4190 Outlays, net (total)	71	52	49

The 2017 Budget requests no separate funding for the Self-Help and Assisted Homeownership Opportunity Program (SHOP) account. Instead, funding for the SHOP program is included as part of the request for the HOME Investment Partnerships Program. Funding for capacity building activities is included as part of the request for the Research and Technology (R&T) account. Within the R&T account, HUD will continue its integrated approach to technical assistance and capacity building, including activities to develop, enhance, and strengthen the technical and administrative capabilities of community development corporations to carry out community development and affordable housing activities for low- and moderate-income persons that support and address local needs and priorities.

NEIGHBORHOOD STABILIZATION PROGRAM

Program and Financing (in millions of dollars)

Identification code 086-0344-0-1-451	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0003 Disaster Assistance .....	8	8	6
0900 Total new obligations (object class 41.0) .....	8	8	6
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	22	14	6
1050 Unobligated balance (total) .....	22	14	6
1930 Total budgetary resources available .....	22	14	6
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	14	6	
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	318	256	183
3010 Obligations incurred, unexpired accounts .....	8	8	6
3020 Outlays (gross) .....	-70	-81	-79
3050 Unpaid obligations, end of year .....	256	183	110
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	318	256	183
3200 Obligated balance, end of year .....	256	183	110
<b>Budget authority and outlays, net:</b>			
Mandatory:			
Outlays, gross:			
4101 Outlays from mandatory balances .....	70	81	79
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	70	81	79

The Neighborhood Stabilization Program (NSP) was first authorized by the Housing and Economic Recovery Act of 2008 (HERA) and funded at \$3.92 billion. In response to the foreclosure crisis, HERA directed HUD to develop a formula to distribute the funds to State and local governments with the greatest need. Grantees were allowed to use NSP funds for a number of eligible activities, including establishing financing mechanisms; purchasing and rehabilitating abandoned or foreclosed properties; establishing land banks; demolishing blighted structures; and redeveloping vacant or demolished property.

The American Recovery and Reinvestment Act of 2009 (ARRA) made several changes to the NSP program as enacted by HERA and appropriated an additional \$2 billion in funding for the NSP program. The ARRA funding for the second round of NSP funding (NSP2) is reflected within the Community Development Fund account.

The Dodd-Frank Financial Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) appropriated an additional \$1 billion for a third iteration of NSP (NSP3) in July 2010.

As of December 2015, NSP grantees had expended (including program income) an amount equivalent to 116 percent of the total program funds allocated for all iterations of NSP. Grantees have approximately \$185 million in NSP-generated program income that must be expended prior to drawing down the remaining grant funds that are reflected in this account. HUD is closely monitoring efforts to expend these funds consistent with NSP requirements and the Department's timeline for closing out all grants.

HOMELESS ASSISTANCE GRANTS

For the Emergency Solutions Grants program as authorized under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act, as amended; the Continuum of Care program as authorized under subtitle C of title IV of such Act; and the Rural Housing Stability Assistance program as authorized under subtitle D of title IV of such Act, **[\$2,250,000,000] \$2,664,000,000**, to remain available until September 30, **[2018] 2019: Provided**, That any rental assistance amounts that are recaptured under such Continuum of Care program shall remain available until expended: *Provided further*, That not less than **[\$250,000,000] \$270,000,000** of the funds appropriated under this heading shall be available for such Emergency Solu-

tions Grants program: *Provided further*, That not less than **[\$1,918,000,000] \$2,362,000,000** of the funds appropriated under this heading shall be available for such Continuum of Care and Rural Housing Stability Assistance programs: *Provided further*, That up to \$7,000,000 of the funds appropriated under this heading shall be available for the national homeless data analysis project: **[Provided further**, That all funds awarded for supportive services under the Continuum of Care program and the Rural Housing Stability Assistance program shall be matched by not less than 25 percent in cash or in kind by each grantee: **] *Provided further*, That for all match requirements applicable to funds made available under this heading for this fiscal year and prior years, a grantee may use (or could have used) as a source of match funds other funds administered by the Secretary and other Federal agencies unless there is (or was) a specific statutory prohibition on any such use of any such funds: **[Provided further**, That the Secretary shall establish system performance measures for which each continuum of care shall report baseline outcomes, and that relative to fiscal year 2015, under the Continuum of Care competition with respect to funds made available under this heading, the Secretary shall base an increasing share of the score on performance criteria: **] *Provided further*, That none of the funds provided under this heading shall be available to provide funding for new projects, except for projects created through reallocation, unless the Secretary determines that the continuum of care has demonstrated that projects are evaluated and ranked based on the degree to which they improve the continuum of care's system performance: *Provided further*, That the Secretary shall prioritize funding under the Continuum of Care program to continuums of care that have demonstrated a capacity to reallocate funding from lower performing projects to higher performing projects: **[Provided further**, That all awards of assistance under this heading shall be required to coordinate and integrate homeless programs with other mainstream health, social services, and employment programs for which homeless populations may be eligible: *Provided further*, That with respect to funds provided under this heading for the Continuum of Care program for fiscal years 2013, 2014, 2015, and 2016 provision of permanent housing rental assistance may be administered by private nonprofit organizations: **] *Provided further*, That any unobligated amounts remaining from funds appropriated under this heading in fiscal year 2012 and prior years for project-based rental assistance for rehabilitation projects with 10-year grant terms may be used for purposes under this heading, notwithstanding the purposes for which such funds were appropriated: *Provided further*, That all balances for Shelter Plus Care renewals previously funded from the Shelter Plus Care Renewal account and transferred to this account shall be available, if recaptured, for Continuum of Care renewals in fiscal year **[2016: Provided further**, That the Department shall notify grantees of their formula allocation from amounts allocated (which may represent initial or final amounts allocated) for the Emergency Solutions Grant program within 60 days of enactment of this Act **] *2017: Provided further*, That up to **[\$33,000,000] \$25,000,000** of the funds appropriated under this heading shall be to implement projects to demonstrate how a comprehensive approach to serving homeless youth, age 24 and under, **[in up to 10 communities, including at least four rural communities,]** can dramatically reduce youth homelessness: *Provided further*, That such projects shall be eligible for renewal under the Continuum of Care program subject to the same terms and conditions as other renewal applicants: **[Provided further**, That up to \$5,000,000 of the funds appropriated under this heading shall be available to provide technical assistance on youth homelessness, and collection, analysis, and reporting of data and performance measures under the comprehensive approaches to serve homeless youth, in addition to and in coordination with other technical assistance funds provided under this title: *Provided further*, That youth aged 24 and under seeking assistance under this heading shall not be required to provide third party documentation to establish their eligibility under 42 U.S.C. 11302(a) or (b) to receive services: *Provided further*, That unaccompanied youth aged 24 and under or families headed by youth aged 24 and under who are living in unsafe situations may be served by youth-serving providers funded under this heading: **] *Provided further*, That the Secretary may use amounts made available under this heading for the Continuum of Care program to renew a grant originally awarded pursuant to the matter under the heading "Department of Housing and Urban Development—Permanent Supportive Housing" in chapter 6 of title III of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 122 Stat. 2351) for assistance under subtitle F of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11403 et seq.): *Provided further*, That such renewal grant shall be awarded to the same grantee and be subject to the provisions of such Continuum of Care program except that the funds may be used outside the geographic area of the continuum of care. (*Department of Housing and Urban Development Appropriations Act, 2016.*)**********



**Program and Financing** (in millions of dollars)

Identification code 086-0192-0-1-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Continuum of Care (SPC, SHP, Rural) .....	1,870	1,955	2,362
0002 Emergency Solutions Grants - Formula .....	238	270	270
0003 National Homeless Data Analysis Project .....		14	7
0005 Youth Demonstration .....		33	25
0006 Youth Technical Assistance .....		5	
0799 Total direct obligations .....	2,108	2,277	2,664
0801 BJA Pay for Success Demonstration .....	1	9	
0900 Total new obligations .....	2,109	2,286	2,664
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	2,059	2,098	2,087
1021 Recoveries of prior year unpaid obligations .....	25	20	20
1050 Unobligated balance (total) .....	2,084	2,118	2,107
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	2,135	2,250	2,664
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	5	5	
1900 Budget authority (total) .....	2,140	2,255	2,664
1930 Total budgetary resources available .....	4,224	4,373	4,771
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-17		
1941 Unexpired unobligated balance, end of year .....	2,098	2,087	2,107
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	2,605	2,534	2,532
3010 Obligations incurred, unexpired accounts .....	2,109	2,286	2,664
3020 Outlays (gross) .....	-1,905	-2,268	-2,279
3040 Recoveries of prior year unpaid obligations, unexpired .....	-25	-20	-20
3041 Recoveries of prior year unpaid obligations, expired .....	-250		
3050 Unpaid obligations, end of year .....	2,534	2,532	2,897
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	2,605	2,534	2,532
3200 Obligated balance, end of year .....	2,534	2,532	2,897
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	2,140	2,255	2,664
Outlays, gross:			
4010 Outlays from new discretionary authority .....	7	11	13
4011 Outlays from discretionary balances .....	1,898	2,257	2,266
4020 Outlays, gross (total) .....	1,905	2,268	2,279
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources .....	-5	-5	
4033 Non-Federal sources .....	-1		
4040 Offsets against gross budget authority and outlays (total) .....	-6	-5	
Additional offsets against gross budget authority only:			
4052 Offsetting collections credited to expired accounts .....	1		
4070 Budget authority, net (discretionary) .....	2,135	2,250	2,664
4080 Outlays, net (discretionary) .....	1,899	2,263	2,279
4180 Budget authority, net (total) .....	2,135	2,250	2,664
4190 Outlays, net (total) .....	1,899	2,263	2,279

The Homeless Assistance Grants account provides funds for the Emergency Solutions Grant (ESG) and Continuum of Care (CoC) programs. These programs, which award funds through formula and competitive processes, enable localities to shape and implement comprehensive, flexible, coordinated approaches to address the multiple issues of homelessness.

The 2017 Budget provides \$2.664 billion for a wide range of activities to assist homeless persons and prevent future occurrences of homelessness. The Budget supports \$2.387 billion for the CoC program, including funding for competitive renewals, new permanent supportive housing for persons experiencing chronic homelessness, new rapid rehousing for families with children experiencing homelessness, and projects targeted to youth experiencing homelessness; \$270 million for ESG formula funding for communities to address emergency needs such as emergency shelter, street outreach, essential services, homelessness prevention, and rapid rehousing; and \$7 million for the National Homeless Data Analysis Project.

The 2017 Budget sustains funding to support programs dedicated to ending veteran homelessness, and makes further progress toward the Administration's goals of ending chronic homelessness and ending homelessness for families, youth and children. In addition to targeted increases in HUD's Homeless Assistance Grants, the Budget provides 10,000 new Housing Choice Vouchers targeted to homeless families with children. Complementing these investments, the Budget also includes an \$11 billion mandatory proposal over ten years to reach and maintain the goal of ending homelessness among families with children by 2020, as described under the "Homeless Assistance for Families" account.

The 2017 Budget also proposes a series of legislative changes to address emerging program needs. These changes would: 1) allow for more timely and effective property reviews under Title V of the McKinney-Vento Act, which enables eligible organizations to use unutilized, underutilized, excess, or surplus Federal properties as facilities that assist homeless persons; 2) allow CoC grantees to receive one-year transition grants, which will better allow projects to maintain service to program participants as those projects transition from one CoC program component to another (e.g., from transitional housing to permanent supportive housing); and 3) allow public housing agencies (PHAs) to be eligible subrecipients of ESG program funds, since PHAs are highly qualified homeless services providers in many communities.

**Object Classification** (in millions of dollars)

Identification code 086-0192-0-1-604	2015 actual	2016 est.	2017 est.
41.0 Direct obligations: Grants, subsidies, and contributions .....	2,108	2,277	2,664
99.0 Reimbursable obligations .....	1	9	
99.9 Total new obligations .....	2,109	2,286	2,664

**HOMELESS ASSISTANCE FOR FAMILIES**  
(Legislative proposal, subject to PAYGO)

**Program and Financing** (in millions of dollars)

Identification code 086-0457-4-1-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0002 Housing Vouchers .....			79
0900 Total new obligations (object class 41.0) .....			79
<b>Budgetary resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....			79
1930 Total budgetary resources available .....			79
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....			79
3020 Outlays (gross) .....			-79
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....			79
Outlays, gross:			
4100 Outlays from new mandatory authority .....			79
4180 Budget authority, net (total) .....			79
4190 Outlays, net (total) .....			79

The Budget proposes \$11 billion over ten years to reach and maintain the goal of ending homelessness among all of America's families in 2020. This significant investment builds on the success of ending veteran homelessness in communities across the country, and is informed by recent research that found that families who utilized vouchers — compared to alternative forms of homeless assistance — had fewer incidents of homelessness, child separations, intimate partner violence and school moves, less food insecurity, and generally less economic stress. This investment will enable communities to properly scale their response to family homelessness

HOMELESS ASSISTANCE FOR FAMILIES—Continued

and significantly expand the availability of rapid rehousing and Housing Choice Vouchers, serving an estimated 550,000 vulnerable families with children experiencing homelessness over the next ten years. These two interventions offer the most flexible, targeted, and cost effective interventions for communities seeking to move families out of emergency shelter quickly and into their own permanent housing units. Rapid rehousing offers time-limited rental assistance and case management services designed to help families stabilize in housing and connect to other needed services in the community. The Housing Choice Voucher program offers a permanent housing subsidy that can be coordinated with supportive services funded through other resources, including mainstream systems.

Complementing this mandatory proposal, the Budget provides targeted discretionary increases to address homelessness, including 10,000 new vouchers targeted to homeless families with children (in the Housing Choice Voucher account), 25,500 new units of permanent, supportive housing to end chronic homelessness, \$25 million to test innovative projects that support homeless youth, and 8,000 new units of rapid rehousing (in the Homeless Assistance Grants account).

PERMANENT SUPPORTIVE HOUSING

Program and Financing (in millions of dollars)

Identification code 086-0342-0-1-604	2015 actual	2016 est.	2017 est.
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	13	9	3
3020 Outlays (gross) .....	-4	-6	-3
3050 Unpaid obligations, end of year .....	9	3	
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	13	9	3
3200 Obligated balance, end of year .....	9	3	
<b>Budget authority and outlays, net:</b>			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances .....	4	6	3
4180 Budget authority, net (total) .....	4	6	3
4190 Outlays, net (total) .....	4	6	3

The Supplemental Appropriations Act, 2008 (Public Law 110-252) provided \$73 million for permanent supportive housing assistance as referenced in the Road Home Program of the Louisiana Recovery Authority (LRA). Of the total amount appropriated, \$50 million was for permanent supportive housing, serving approximately 1,000 homeless individuals and families living with disabilities. The LRA is eligible to apply for Homeless Assistance Grants to renew this assistance. Additionally, this account provided \$23 million in project-based rental assistance vouchers to LRA to support an estimated 2,000 elderly and disabled disaster victims, as authorized. Beginning in 2010, these vouchers have been renewed within the Tenant-Based Rental Assistance account upon the termination of the original subsidy.

RURAL HOUSING AND ECONOMIC DEVELOPMENT

Program and Financing (in millions of dollars)

Identification code 086-0324-0-1-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0002 Delta Capital Community Initiative .....	1		
0003 Appalachia Economic Development Initiative .....	1		
0900 Total new obligations (object class 41.0) .....	2		
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	3	3	

1021 Recoveries of prior year unpaid obligations .....	2		
1050 Unobligated balance (total) .....	5	3	
Budget authority:			
Appropriations, discretionary:			
1131 Unobligated balance of appropriations permanently reduced .....		-3	
1930 Total budgetary resources available .....	5		
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	3		
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	9	6	3
3010 Obligations incurred, unexpired accounts .....	2		
3020 Outlays (gross) .....	-3	-3	-2
3040 Recoveries of prior year unpaid obligations, unexpired .....	-2		
3050 Unpaid obligations, end of year .....	6	3	1
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	9	6	3
3200 Obligated balance, end of year .....	6	3	1
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....		-3	
Outlays, gross:			
4011 Outlays from discretionary balances .....	3	3	2
4180 Budget authority, net (total) .....		-3	
4190 Outlays, net (total) .....	3	3	2

The Budget does not provide funding for the Rural Housing and Economic Development (RHED) program. RHED was created to support housing and economic development activities in rural communities. The Consolidated Appropriations Act, 2016 (Public Law 114-113) permanently rescinded all unobligated balances of RHED funds, including carryover and recaptures.

REVOLVING FUND (LIQUIDATING PROGRAMS)

Program and Financing (in millions of dollars)

Identification code 086-4015-0-3-451	2015 actual	2016 est.	2017 est.
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	1		
1022 Capital transfer of unobligated balances to general fund .....	-1		
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	10	10	9
3020 Outlays (gross) .....		-1	-1
3050 Unpaid obligations, end of year .....	10	9	8
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	10	10	9
3200 Obligated balance, end of year .....	10	9	8
<b>Budget authority and outlays, net:</b>			
Mandatory:			
Outlays, gross:			
4101 Outlays from mandatory balances .....		1	1
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....		1	1

Status of Direct Loans (in millions of dollars)

Identification code 086-4015-0-3-451	2015 actual	2016 est.	2017 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	5	5	5
1290 Outstanding, end of year .....	5	5	5

The Revolving Fund (liquidating programs) was established by the Independent Offices Appropriations Act of 1955 for the efficient liquidation of assets acquired under a number of housing and urban development programs, all of which are no longer active. For example, the Section 312 loan program portfolio, which provided first and junior lien financing at below market interest rates for the rehabilitation of homes in low-income

neighborhoods, constituted a large portion of the account activities but has not originated new loans for over 20 years. The operational expenses are financed from a permanent, indefinite appropriation to administer the remaining repayments of loans, recaptures, and lien releases in the portfolio. Any remaining unobligated balances in the account are returned to the Treasury annually.

**Balance Sheet** (in millions of dollars)

Identification code 086-4015-0-3-451	2014 actual	2015 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	9	9
1601 Direct loans, gross .....	5	5
1603 Allowance for estimated uncollectible loans and interest (-) .....	-5	-5
1604 Direct loans and interest receivable, net .....		
1606 Foreclosed property .....	2	2
1699 Value of assets related to direct loans .....	2	2
1999 Total assets .....	11	11
<b>LIABILITIES:</b>		
2207 Non-Federal liabilities: Other .....	1	1
<b>NET POSITION:</b>		
3100 Unexpended appropriations .....	10	10
4999 Total liabilities and net position .....	11	11

**COMMUNITY DEVELOPMENT LOAN GUARANTEES PROGRAM ACCOUNT**

**[(INCLUDING RESCISSION)]**

Subject to section 502 of the Congressional Budget Act of 1974, during fiscal year [2016] 2017, commitments to guarantee loans under section 108 of the Housing and Community Development Act of 1974 (42 U.S.C. 5308), any part of which is guaranteed, shall not exceed a total principal amount of \$300,000,000 [ , notwithstanding any aggregate limitation on outstanding obligations guaranteed in subsection (k) of such section 108 ]: *Provided*, That the Secretary shall collect fees from borrowers [ , notwithstanding subsection (m) of such section 108, ] to result in a credit subsidy cost of zero for guaranteeing such loans, and any such fees shall be collected in accordance with section 502(7) of the Congressional Budget Act of 1974 [ : *Provided further*, That all unobligated balances, including recaptures and carryover, remaining from funds appropriated to the Department of Housing and Urban Development under this heading are hereby permanently rescinded ] . (*Department of Housing and Urban Development Appropriations Act, 2016*.)

**Program and Financing** (in millions of dollars)

Identification code 086-0198-0-1-451	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0702 Loan guarantee subsidy .....	3		
0900 Total new obligations (object class 33.0) .....	3		
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	3		
1930 Total budgetary resources available .....	3		
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	17	18	13
3010 Obligations incurred, unexpired accounts .....	3		
3020 Outlays (gross) .....	-5		
3041 Recoveries of prior year unpaid obligations, expired .....	-2		
3050 Unpaid obligations, end of year .....	18	13	8
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	17	18	13
3200 Obligated balance, end of year .....	18	13	8
<b>Budget authority and outlays, net:</b>			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances .....		5	5
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....		5	5

**Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program** (in millions of dollars)

Identification code 086-0198-0-1-451	2015 actual	2016 est.	2017 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Community development loan guarantee levels .....	123		
215003 Community Development Loan Guarantee (Fee) .....		300	300
215999 Total loan guarantee levels .....	123	300	300
Guaranteed loan subsidy (in percent):			
232001 Community development loan guarantee levels .....	2.42		
232003 Community Development Loan Guarantee (Fee) .....		0.00	0.00
232999 Weighted average subsidy rate .....	2.42	0.00	0.00
Guaranteed loan subsidy budget authority:			
233001 Community development loan guarantee levels .....	3		
233999 Total subsidy budget authority .....	3		
Guaranteed loan subsidy outlays:			
234001 Community development loan guarantee levels .....		5	5
234999 Total subsidy outlays .....		5	5
Guaranteed loan reestimates:			
235001 Community development loan guarantee levels .....		-60	
235999 Total guaranteed loan reestimates .....		-60	

The Community Development Loan Guarantee program (Section 108) supports economic development projects, housing rehabilitation, and the rehabilitation, construction or installation of public facilities for the benefit of low- to moderate-income persons or to aid in the prevention of slums.

On November 3, 2015, the Department issued a final rule in the Federal Register to allow HUD to collect fees to offset credit subsidy costs such that the program operates at a zero credit subsidy cost. The Budget proposes a guaranteed loan limit of \$300 million, with a fee of 2.59 percent of the principal amount of the loan for fiscal year 2017. The Budget also proposes legislative changes to the Housing and Community Development Act of 1974 to permanently allow for the new fee structure.

**COMMUNITY DEVELOPMENT LOAN GUARANTEES FINANCING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 086-4096-0-3-451	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0742 Downward reestimate paid to receipt account .....		34	
0743 Interest on downward reestimates .....		26	
0900 Total new obligations .....		60	
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	126	134	88
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	5	17	17
1801 Change in uncollected payments, Federal sources .....	3	-3	
1850 Spending auth from offsetting collections, mand (total) .....	8	14	17
1930 Total budgetary resources available .....	134	148	105
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	134	88	105
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....			60
3010 Obligations incurred, unexpired accounts .....		60	
3050 Unpaid obligations, end of year .....		60	60
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-17	-20	-17
3070 Change in uncollected pymts, Fed sources, unexpired .....	-3	3	
3090 Uncollected pymts, Fed sources, end of year .....	-20	-17	-17
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	-17	-20	43
3200 Obligated balance, end of year .....	-20	43	43
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	8	14	17

COMMUNITY DEVELOPMENT LOAN GUARANTEES FINANCING ACCOUNT—Continued  
**Program and Financing—Continued**

Identification code 086-4096-0-3-451	2015 actual	2016 est.	2017 est.
<b>Offsets against gross financing authority and disbursements:</b>			
<b>Offsetting collections (collected) from:</b>			
4120 Federal Sources: Payments from Program Account .....		-5	-5
4122 Interest on uninvested funds .....	-5	-4	-4
4123 Non-Federal sources .....		-8	-8
4130 Offsets against gross budget authority and outlays (total) ....	-5	-17	-17
<b>Additional offsets against financing authority only (total):</b>			
4140 Change in uncollected pymts, Fed sources, unexpired .....	-3	3	
4170 Outlays, net (mandatory) .....	-5	-17	-17
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	-5	-17	-17

**Status of Guaranteed Loans** (in millions of dollars)

Identification code 086-4096-0-3-451	2015 actual	2016 est.	2017 est.
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Guaranteed loan commitments from current-year authority .....	500	300	300
2121 Limitation available from carry-forward .....	123		
2142 Uncommitted loan guarantee limitation .....	-500		
2143 Uncommitted limitation carried forward .....			
2150 Total guaranteed loan commitments .....	123	300	300
2199 Guaranteed amount of guaranteed loan commitments .....	15	300	300
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....	2,010	2,011	2,014
2231 Disbursements of new guaranteed loans .....	8	10	10
2251 Repayments and prepayments .....	-7	-7	-7
2290 Outstanding, end of year .....	2,011	2,014	2,017

<b>Memorandum:</b>			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	2,011	2,014	2,017

**Balance Sheet** (in millions of dollars)

Identification code 086-4096-0-3-451	2014 actual	2015 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	114	96
1999 Total assets .....	114	96
<b>LIABILITIES:</b>		
2204 Non-Federal liabilities: Liabilities for loan guarantees .....	114	96
4999 Total liabilities and net position .....	114	96

COMMUNITY DEVELOPMENT LOAN GUARANTEES LIQUIDATING ACCOUNT

**Program and Financing** (in millions of dollars)

Identification code 086-4097-0-3-451	2015 actual	2016 est.	2017 est.
<b>Change in obligated balance:</b>			
<b>Uncollected payments:</b>			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-3	-3	-3
3090 Uncollected pymts, Fed sources, end of year .....	-3	-3	-3
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	-3	-3	-3
3200 Obligated balance, end of year .....	-3	-3	-3
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....			

**Status of Guaranteed Loans** (in millions of dollars)

Identification code 086-4097-0-3-451	2015 actual	2016 est.	2017 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....	2	1	1
2251 Repayments and prepayments .....	-1		
2290 Outstanding, end of year .....	1	1	1

<b>Memorandum:</b>			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	1		

**Balance Sheet** (in millions of dollars)

Identification code 086-4097-0-3-451	2014 actual	2015 actual
<b>ASSETS:</b>		
<b>Federal assets:</b>		
1101 Fund balances with Treasury .....	-3	-3
<b>Investments in US securities:</b>		
1106 Receivables, net .....	3	3
1999 Total assets .....		

**Trust Funds**

HOUSING TRUST FUND

**Special and Trust Fund Receipts** (in millions of dollars)

Identification code 086-8560-0-7-604	2015 actual	2016 est.	2017 est.
0100 Balance, start of year .....			12
<b>Receipts:</b>			
<b>Current law:</b>			
1130 Affordable Housing Allocation, Housing Trust Fund .....		182	136
2000 Total: Balances and receipts .....		182	148
<b>Appropriations:</b>			
<b>Current law:</b>			
2101 Housing Trust Fund .....		-182	-136
2132 Housing Trust Fund .....		12	
2199 Total current law appropriations .....		-170	-136
2999 Total appropriations .....		-170	-136
5099 Balance, end of year .....		12	12

**Program and Financing** (in millions of dollars)

Identification code 086-8560-0-7-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Grants .....		170	136
0900 Total new obligations (object class 41.0) .....		170	136
<b>Budgetary resources:</b>			
<b>Budget authority:</b>			
<b>Appropriations, mandatory:</b>			
1201 Appropriation (special or trust fund) .....		182	136
1232 Appropriations and/or unobligated balance of appropriations temporarily reduced .....		-12	
1260 Appropriations, mandatory (total) .....		170	136
1930 Total budgetary resources available .....		170	136

**Change in obligated balance:**

<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....			168
3010 Obligations incurred, unexpired accounts .....		170	136
3020 Outlays (gross) .....		-2	-25
3050 Unpaid obligations, end of year .....		168	279
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....			168
3200 Obligated balance, end of year .....		168	279

**Budget authority and outlays, net:**

<b>Mandatory:</b>			
4090 Budget authority, gross .....		170	136
<b>Outlays, gross:</b>			
4100 Outlays from new mandatory authority .....		2	1
4101 Outlays from mandatory balances .....			24
4110 Outlays, gross (total) .....		2	25
4180 Budget authority, net (total) .....		170	136
4190 Outlays, net (total) .....		2	25

The Housing Trust Fund was authorized by section 1131 of the Housing and Economic Recovery Act of 2008 (Public Law 110-289), which directed

the account to be funded from assessments on Fannie Mae and Freddie Mac. The Federal Housing Finance Agency (FHFA), as regulator of Fannie Mae and Freddie Mac, suspended these assessments in November 2008. In December 2014, FHFA announced that the assessments would be reinstated effective January 2015, subject to the terms and conditions prescribed by FHFA.

The Budget estimates that \$136 million will be allocated to the Housing Trust Fund in 2017 to provide grants to States to increase and preserve the supply of affordable rental housing and homeownership opportunities for extremely low-income families. This allocation is in addition to the estimated \$170 million that will be made available in 2016. Funds will be distributed by formula to States or State-designated entities to be used primarily for the construction, preservation, and rehabilitation of affordable rental housing, with up to ten percent of the funding for similar eligible activities that support homeownership.

## HOUSING PROGRAMS

### Federal Funds

#### PROJECT-BASED RENTAL ASSISTANCE

For activities and assistance for the provision of project-based subsidy contracts under the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) ("the Act"), not otherwise provided for, [\$10,220,000,000] \$10,416,000,000, to remain available until [expended] September 30, 2019, shall be available on October 1, [2015] 2016 (in addition to the \$400,000,000 previously appropriated under this heading that became available October 1, [2015] 2016), and \$400,000,000, to remain available until [expended] September 30, 2020, shall be available on October 1, [2016] 2017: *Provided*, That the amounts made available under this heading shall be available for expiring or terminating section 8 project-based subsidy contracts (including section 8 moderate rehabilitation contracts), for amendments to section 8 project-based subsidy contracts (including section 8 moderate rehabilitation contracts), for contracts entered into pursuant to section 441 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11401), for renewal of section 8 contracts for units in projects that are subject to approved plans of action under the Emergency Low Income Housing Preservation Act of 1987 or the Low-Income Housing Preservation and Resident Homeownership Act of 1990, and for administrative and other expenses associated with project-based activities and assistance funded under this paragraph: *Provided further*, That of the total amounts provided under this heading, not to exceed [\$215,000,000] \$235,000,000 shall be available for performance-based contract administrators for section 8 project-based assistance, for carrying out 42 U.S.C. 1437(f): *Provided further*, That the Secretary of Housing and Urban Development may also use such amounts in the previous proviso for performance-based contract administrators for the administration of: interest reduction payments pursuant to section 236(a) of the National Housing Act (12 U.S.C. 1715z-1(a)); rent supplement payments pursuant to section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s); section 236(f)(2) rental assistance payments (12 U.S.C. 1715z-1(f)(2)); project rental assistance contracts for the elderly under section 202(c)(2) of the Housing Act of 1959 (12 U.S.C. 1701q); project rental assistance contracts for supportive housing for persons with disabilities under section 811(d)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(d)(2)); project assistance contracts pursuant to section 202(h) of the Housing Act of 1959 (Public Law 86-372; 73 Stat. 667); and loans under section 202 of the Housing Act of 1959 (Public Law 86-372; 73 Stat. 667): *Provided further*, That amounts recaptured under this heading, the heading "Annual Contributions for Assisted Housing", or the heading "Housing Certificate Fund", may be used for renewals of or amendments to section 8 project-based contracts or for performance-based contract administrators, notwithstanding the purposes for which such amounts were appropriated: *Provided further*, That, notwithstanding any other provision of law, upon the request of the Secretary of Housing and Urban Development, project funds that are held in residual receipts accounts for any project subject to a section 8 project-based Housing Assistance Payments contract that authorizes HUD or a Housing Finance Agency to require that surplus project funds be deposited in an interest-bearing residual receipts account and that are in excess of an amount to be determined by the Secretary, shall be remitted to the Department and deposited in this account, to be available until expended: *Provided further*, That amounts deposited pursuant to the previous proviso shall be available in addition to the amount otherwise provided by this heading for uses authorized under this heading. (*Department of Housing and Urban Development Appropriations Act, 2016.*)

### Program and Financing (in millions of dollars)

Identification code 086-0303-0-1-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Contract Renewals .....	8,646	9,574	9,794
0002 RAD Contract Renewals .....	25	43	149
0003 Section 8 Amendments .....	588	550	549
0004 Contract Administrators .....	273	290	235
0005 Vouchers for Disaster Relief .....			1
0006 Tenant Information and Outreach .....	2	4	4
0008 Mod Rehab and SRO Renewals .....	276	270	270
0900 Total new obligations (object class 41.0) .....	9,810	10,731	11,002
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	352	329	316
1011 Unobligated balance transfer from other acct [086-0206] ....		9	
1021 Recoveries of prior year unpaid obligations .....	32	25	15
1050 Unobligated balance (total) .....	384	363	331
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	9,330	10,220	10,416
1120 Appropriations transferred to other acct [086-0108] .....			-28
1121 Appropriations transferred from other acct [086-0163] ....	17	34	117
1121 Appropriations transferred from other acct [086-0304] ....	8	9	32
1121 Appropriations transferred from other acct [086-0206] ....		21	
1160 Appropriation, discretionary (total) .....	9,355	10,284	10,537
Advance appropriations, discretionary:			
1170 Advance appropriation .....	400	400	400
1900 Budget authority (total) .....	9,755	10,684	10,937
1930 Total budgetary resources available .....	10,139	11,047	11,268
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	329	316	266
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	4,959	4,477	4,523
3010 Obligations incurred, unexpired accounts .....	9,810	10,731	11,002
3020 Outlays (gross) .....	-10,260	-10,660	-11,016
3040 Recoveries of prior year unpaid obligations, unexpired .....	-32	-25	-15
3050 Unpaid obligations, end of year .....	4,477	4,523	4,494
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	4,959	4,477	4,523
3200 Obligated balance, end of year .....	4,477	4,523	4,494
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	9,755	10,684	10,937
Outlays, gross:			
4010 Outlays from new discretionary authority .....	5,234	5,953	6,301
4011 Outlays from discretionary balances .....	5,026	4,707	4,715
4020 Outlays, gross (total) .....	10,260	10,660	11,016
4180 Budget authority, net (total) .....	9,755	10,684	10,937
4190 Outlays, net (total) .....	10,260	10,660	11,016

The Budget requests \$10.816 billion for Project-Based Rental Assistance (PBRA), of which \$400 million is requested as an advance appropriation to become available in 2018. The PBRA program assists approximately 1.2 million extremely low- to low-income households in obtaining decent, safe, and sanitary housing in private accommodations. PBRA serves families, elderly and disabled households and provides transitional housing for the homeless. Through this funding, HUD supports approximately 17,200 contracts with private owners of multifamily housing by paying the difference between what a household can afford, generally 30 percent of its eligible income, and the approved market-based rent for a housing unit. The Budget continues to support the program's calendar year funding cycle and provides 12 months of funding for all contracts from January through December 2017.

The Budget proposes legislative reform to HUD's core rental assistance programs, namely increasing the threshold used to determine deductions for unreimbursed medical expenses from 3 to 10 percent of family income. The Budget also includes a proposal to expand HUD's authority to seek double the specified financial damages when project owners fail to maintain their properties in accordance with program requirements, to include PBRA, Section 202, and Section 811. This proposal is part of a larger effort being

## PROJECT-BASED RENTAL ASSISTANCE—Continued

undertaken by HUD to evaluate and strengthen enforcement authorities across its portfolio of assisted properties, including a potential rulemaking to update Real Estate Assessment Center (REAC) physical inspection criteria. Finally, the Budget proposes technical amendments to the Low-Income Housing Preservation and Resident Homeownership Act (LIHPRHA) to align with amendments made by the FAST Act (Public Law 114–94), to support effective implementation of owner distribution policies, and to encourage preservation transactions that maintain property affordability.

Program activities include the following:

**Contract Renewals and Amendments.**—These activities provide funding for HUD to renew expiring contracts and amend contracts that have not expired but require additional funding for HUD to meet remaining payment obligations. Appropriations for these activities are supplemented with recoveries of excess balances remaining on expired contracts that utilized less than anticipated resources during their initial terms.

**Contract Administrators.**—This activity funds the local level administration of the program through HUD agreements with performance-based contract administrators (PBCAs). These entities, which are typically public housing authorities or state housing finance agencies, are responsible for conducting on-site management reviews of assisted properties; adjusting contract rents; reviewing, processing, and paying monthly vouchers submitted by owners; renewing contracts with property owners; and responding to health and safety issues at properties. In 2017, the Budget requests up to \$235 million for PBCAs from the PBRA account, in addition to \$60 million in anticipated recaptures in the Housing Certificate Fund to supplement the requested appropriation.

**Tenant Resource Network.**—The Budget provides up to \$4 million in 2017 for technical assistance to tenant groups, nonprofit groups, and public entities to support their efforts to preserve affordability of assisted properties and improve tenant services.

## HOUSING FOR THE ELDERLY

For amendments to capital advance contracts for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance for the elderly under section 202(c)(2) of such Act, including amendments to contracts for such assistance and renewal of expiring contracts for such assistance for up to a 1-year term, and for senior preservation rental assistance contracts, including renewals, as authorized by section 811(e) of the American Housing and Economic Opportunity Act of 2000, as amended, and for supportive services associated with the housing, **[\$432,700,000] \$505,000,000** to remain available until September 30, **[2019] 2020: Provided**, That of the amount provided under this heading, up to **[\$77,000,000] \$75,000,000** shall be for service coordinators and the continuation of existing congregate service grants for residents of assisted housing projects: *Provided further*, That amounts under this heading shall be available for Real Estate Assessment Center inspections and inspection-related activities associated with section 202 projects: *Provided further*, That the Secretary may waive the provisions of section 202 governing the terms and conditions of project rental assistance, except that the initial contract term for such assistance shall not exceed 5 years in duration: *Provided further*, That upon request of the Secretary of Housing and Urban Development, project funds that are held in residual receipts accounts for any project subject to a section 202 project rental assistance contract, and that upon termination of such contract are in excess of an amount to be determined by the Secretary, shall be remitted to the Department and deposited in this account, to be available until September 30, **[2019] 2020: Provided further**, That amounts deposited in this account pursuant to the previous proviso shall be available, in addition to the amounts otherwise provided by this heading, for **[amendments and renewals] the purposes authorized under this heading: Provided further**, That unobligated balances, including recaptures and carryover, remaining from funds transferred to or appropriated under this heading **[shall be available for amendments and renewals] in prior appropriations Acts may be used for the current purposes authorized under this heading** notwithstanding the purposes for which such funds originally were appropriated. (*Department of Housing and Urban Development Appropriations Act, 2016.*)

## Program and Financing (in millions of dollars)

Identification code 086–0320–0–1–604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Capital Advance Amendments and Expenses .....	10	.....	3
0002 PRAC Renewal/Amendment .....	331	356	412
0003 Service Coordinators/Congregate Services .....	86	77	75
0004 Conversion to Assisted Living Facilities .....	16	.....	.....
0006 Senior Preservation Rental Assistance Contracts .....	13	.....	15
0799 Total direct obligations .....	456	433	505
0801 Housing for the Elderly (Reimbursable) .....	.....	14	.....
0900 Total new obligations .....	456	447	505
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	180	151	151
1021 Recoveries of prior year unpaid obligations .....	7	.....	.....
1050 Unobligated balance (total) .....	187	151	151
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	420	433	505
1120 Appropriations transferred to other acts [086–0108] .....	.....	.....	–3
1160 Appropriation, discretionary (total) .....	420	433	502
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	.....	14	.....
1900 Budget authority (total) .....	420	447	502
1930 Total budgetary resources available .....	607	598	653
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	151	151	148
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	1,776	1,431	1,145
3010 Obligations incurred, unexpired accounts .....	456	447	505
3020 Outlays (gross) .....	–773	–733	–765
3040 Recoveries of prior year unpaid obligations, unexpired .....	–7	.....	.....
3041 Recoveries of prior year unpaid obligations, expired .....	–21	.....	.....
3050 Unpaid obligations, end of year .....	1,431	1,145	885
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	1,776	1,431	1,145
3200 Obligated balance, end of year .....	1,431	1,145	885
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	420	447	502
Outlays, gross:			
4010 Outlays from new discretionary authority .....	94	92	90
4011 Outlays from discretionary balances .....	679	641	675
4020 Outlays, gross (total) .....	773	733	765
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033 Non-Federal sources .....	.....	–14	.....
4040 Offsets against gross budget authority and outlays (total) ....	.....	–14	.....
4180 Budget authority, net (total) .....	420	433	502
4190 Outlays, net (total) .....	773	719	765

Since 1959, the Housing for the Elderly program (Section 202) has supported the construction and operation of supportive housing for very low-income elderly households, including the frail elderly. The Budget provides \$505 million for this program, including \$427 million to renew and amend operating subsidy contracts for existing Section 202 housing, \$75 million to support service coordinators who work on-site to help residents obtain critical services, and \$3 million for property inspections and related expenses. Consistent with the 2016 Appropriations Act, the request for contract renewals and amendments under this account includes amounts for Senior Preservation Rental Assistance Contracts (SPRACs). HUD will continue the execution of a five-year Supportive Housing demonstration with funding provided for this purpose as authorized in 2014; no additional funding is requested. The demonstration is testing whether housing and supportive services with a health/wellness component can successfully and cost-effectively help elderly residents maintain their housing and health while avoiding costly institutional care. The Budget supports preservation of Section 202 properties through the expansion of the Rental Assistance

Demonstration program to include elderly properties developed through the Capital Advance program. The Budget also seeks renewed authority to make better use of existing resources. HUD will identify residual receipts collections, recaptures, and other unobligated balances to redirect as additional investments in SPRACs, Service Coordinators, or other authorized purposes.

The Budget also includes a proposal to expand HUD's authority to seek double the specified financial damages when project owners fail to maintain their properties in accordance with program requirements, to include Section 202, Housing for Persons with Disabilities (Section 811), and Project-Based Rental Assistance. Finally, the Budget proposes to expand the list of violations that may incur a monetary penalty of Section 202 property owners to include failure to maintain the property.

**Object Classification** (in millions of dollars)

Identification code 086-0320-0-1-604	2015 actual	2016 est.	2017 est.
41.0 Direct obligations: Grants, subsidies, and contributions .....	456	433	505
99.0 Reimbursable obligations .....		14	
99.9 Total new obligations .....	456	447	505

**HOUSING FOR PERSONS WITH DISABILITIES**

For amendments to capital advance contracts for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013), for project rental assistance for supportive housing for persons with disabilities under section 811(d)(2) of such Act and for project assistance contracts pursuant to section 202(h) of the Housing Act of 1959 (Public Law 86-372; 73 Stat. 667), including amendments to contracts for such assistance and renewal of expiring contracts for such assistance for up to a 1-year term, for project rental assistance to State housing finance agencies and other appropriate entities as authorized under section 811(b)(3) of the Cranston-Gonzalez National Housing Act, and for supportive services associated with the housing for persons with disabilities as authorized by section 811(b)(1) of such Act, **[\$150,600,000] \$154,000,000**, to remain available until September 30, **[2019] 2020: Provided**, That amounts made available under this heading shall be available for Real Estate Assessment Center inspections and inspection-related activities associated with section 811 projects: *Provided further*, That, in this fiscal year, upon the request of the Secretary of Housing and Urban Development, project funds that are held in residual receipts accounts for any project subject to a section 811 project rental assistance contract and that upon termination of such contract are in excess of an amount to be determined by the Secretary shall be remitted to the Department and deposited in this account, to be available until September 30, **[2019] 2020: Provided further**, That amounts deposited in this account pursuant to the previous proviso shall be available in addition to the amounts otherwise provided by this heading for **[amendments and renewals] the purposes authorized under this heading: Provided further**, That unobligated balances, including recaptures and carryover, remaining from funds transferred to or appropriated under this heading shall be used for **[amendments and renewals] the current purposes authorized under this heading notwithstanding the purposes for which such funds originally were appropriated. (Department of Housing and Urban Development Appropriations Act, 2016.)**

**Program and Financing** (in millions of dollars)

Identification code 086-0237-0-1-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Capital Advance Amendments and Expenses .....	5	4	4
0002 PRAC/PAC Renewals and Amendments .....	120	125	142
0004 State Housing Project Rental Assistance .....	82	67	3
0799 Total direct obligations .....	207	196	149
0900 Total new obligations (object class 41.0) .....	207	196	149
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	161	104	59
1021 Recoveries of prior year unpaid obligations .....	14		
1050 Unobligated balance (total) .....	175	104	59

<b>Budget authority:</b>			
Appropriations, discretionary:			
1100 Appropriation .....	135	151	154
1120 Appropriations transferred to other acct [086-0108] .....			-1
1160 Appropriation, discretionary (total) .....	135	151	153
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	1		
1900 Budget authority (total) .....	136	151	153
1930 Total budgetary resources available .....	311	255	212
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	104	59	63

**Change in obligated balance:**

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	520	525	524
3010 Obligations incurred, unexpired accounts .....	207	196	149
3020 Outlays (gross) .....	-187	-197	-192
3040 Recoveries of prior year unpaid obligations, unexpired .....	-14		
3041 Recoveries of prior year unpaid obligations, expired .....	-1		
3050 Unpaid obligations, end of year .....	525	524	481
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	520	525	524
3200 Obligated balance, end of year .....	525	524	481

**Budget authority and outlays, net:**

Discretionary:			
4000 Budget authority, gross .....	136	151	153
Outlays, gross:			
4010 Outlays from new discretionary authority .....	33	29	29
4011 Outlays from discretionary balances .....	154	168	163
4020 Outlays, gross (total) .....	187	197	192
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033 Non-Federal sources .....	-1		
4180 Budget authority, net (total) .....	135	151	153
4190 Outlays, net (total) .....	186	197	192

Since 1992, the Housing for Persons with Disabilities program (Section 811) has supported the development of supportive housing for very low-income people with disabilities. The Budget provides \$154 million for this program, including \$152 million to renew and amend operating subsidy contracts for existing Section 811 housing, and \$2 million for property inspections and related expenses.

The Budget continues authorities to make better use of existing resources, which allows HUD to identify residual receipts collections, recaptures, and other unobligated balances to redirect as additional investments for purposes authorized under the heading including new Project Rental Assistance awards to state housing agencies. The Budget also includes a proposal to expand HUD's authority to seek double the specified financial damages when project owners fail to maintain their properties in accordance with program requirements, to include Section 811, Housing for the Elderly (Section 202), and Project-Based Rental Assistance.

**HOUSING COUNSELING ASSISTANCE**

For contracts, grants, and other assistance excluding loans, as authorized under section 106 of the Housing and Urban Development Act of 1968, as amended, \$47,000,000, to remain available until September 30, **[2017] 2018**, including up to \$4,500,000 for administrative contract services: *Provided*, **[That grants made available from amounts provided under this heading shall be awarded within 180 days of enactment of this Act: Provided further,]** That funds shall be used for providing counseling and advice to tenants and homeowners, both current and prospective, with respect to property maintenance, financial management/literacy, and such other matters as may be appropriate to assist them in improving their housing conditions, meeting their financial needs, and fulfilling the responsibilities of tenancy or homeownership; for program administration; and for housing counselor training: *Provided further*, That for purposes of providing such grants from amounts provided under this heading, the Secretary may enter into multiyear agreements as appropriate, subject to the availability of annual appropriations. *(Department of Housing and Urban Development Appropriations Act, 2016.)*

## HOUSING COUNSELING ASSISTANCE—Continued

## Program and Financing (in millions of dollars)

Identification code 086-0156-0-1-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Housing Counseling Assistance .....	42	45	43
0002 Administrative Contract Services .....	3	4	4
0900 Total new obligations .....	45	49	47
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....		2	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	47	47	47
1930 Total budgetary resources available .....	47	49	47
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	2		
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	42	39	71
3010 Obligations incurred, unexpired accounts .....	45	49	47
3020 Outlays (gross) .....	-47	-17	-43
3041 Recoveries of prior year unpaid obligations, expired .....	-1		
3050 Unpaid obligations, end of year .....	39	71	75
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	42	39	71
3200 Obligated balance, end of year .....	39	71	75
<b>Budget authority and outlays, net:</b>			
Discretionary:			
Outlays, gross:			
4000 Budget authority, gross .....	47	47	47
Outlays from new discretionary authority:			
4010 Outlays from new discretionary authority .....	9	7	7
4011 Outlays from discretionary balances .....	38	10	36
4020 Outlays, gross (total) .....	47	17	43
4180 Budget authority, net (total) .....	47	47	47
4190 Outlays, net (total) .....	47	17	43

The Housing Counseling Assistance Program provides comprehensive housing counseling services to eligible homeowners and tenants through grants, oversight, technical assistance and training to non-profit intermediaries, state governmental entities, and other agencies with a local or national presence. Eligible housing counseling activities include pre- and post-purchase homeownership education and counseling, personal financial management, reverse mortgage education counseling, foreclosure prevention, loss mitigation, homelessness prevention, and rental counseling. The objectives of the Housing Counseling program include overcoming barriers to stable and affordable housing, expanding sustainable homeownership opportunities, preventing foreclosure, and deterring discrimination, scams and fraud.

The 2017 Budget includes \$47 million for this program, the bulk of which funds grants to HUD-approved Housing Counseling agencies for direct services. In particular, the Office of Housing Counseling is focused on expanding the number of counseled FHA borrowers and increasing access to resources that create more sustainable housing opportunities for households. As the economy improves and the number of first-time homebuyers increases, the need and demand for housing counseling will increase as well.

In accordance with the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Housing Counseling Assistance Program is implementing and overseeing the individual testing and certification of all housing counselors providing HUD-approved counseling and will launch the Office of Housing Counseling Federal Advisory Committee.

## Object Classification (in millions of dollars)

Identification code 086-0156-0-1-604	2015 actual	2016 est.	2017 est.
Direct obligations:			
25.2 Other services from non-Federal sources .....	3	4	4
41.0 Grants, subsidies, and contributions .....	42	45	43

99.9	Total new obligations .....	45	49	47
◆				

## ENERGY INNOVATION FUND

## Program and Financing (in millions of dollars)

Identification code 086-0401-0-1-272	2015 actual	2016 est.	2017 est.
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	25	17	9
3020 Outlays (gross) .....	-8	-8	-8
3050 Unpaid obligations, end of year .....	17	9	1
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	25	17	9
3200 Obligated balance, end of year .....	17	9	1
<b>Budget authority and outlays, net:</b>			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances .....	8	8	8
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	8	8	8

The Energy Innovation Fund provided support for local initiatives that could be replicated across the Nation and to stimulate and enhance private investment in cost-saving energy efficiency retrofits of existing housing, through improved use of FHA single family and multifamily mortgage products. There have been no appropriations for this program since 2010 and this account now reflects only the liquidation of prior year obligations.

## EMERGENCY HOMEOWNERS' RELIEF FUND

## Program and Financing (in millions of dollars)

Identification code 086-0407-0-1-371	2015 actual	2016 est.	2017 est.
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	232	251	274
1021 Recoveries of prior year unpaid obligations .....	19	23	23
1050 Unobligated balance (total) .....	251	274	297
1930 Total budgetary resources available .....	251	274	297
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	251	274	297
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	103	80	53
3020 Outlays (gross) .....	-4	-4	-4
3040 Recoveries of prior year unpaid obligations, unexpired .....	-19	-23	-23
3050 Unpaid obligations, end of year .....	80	53	26
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	103	80	53
3200 Obligated balance, end of year .....	80	53	26
<b>Budget authority and outlays, net:</b>			
Mandatory:			
Outlays, gross:			
4101 Outlays from mandatory balances .....	4	4	4
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	4	4	4

The Emergency Homeowners' Loan Program (EHLPL) provided emergency mortgage assistance to homeowners who were unemployed or underemployed due to economic or medical conditions. The program became effective October 1, 2010 and, per statute, stopped accepting applications on September 30, 2011. This account reflects no new obligations but displays the liquidation of prior year obligations.



EMERGENCY HOMEOWNERS' RELIEF FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 086-4357-0-3-371	2015 actual	2016 est.	2017 est.	
<b>Budgetary resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	17	32	33
1021	Recoveries of prior year unpaid obligations	15		
1023	Unobligated balances applied to repay debt	-1		
1050	Unobligated balance (total)	31	32	33
Financing authority:				
Spending authority from offsetting collections, mandatory:				
1800	Positive Subsidy	1	1	1
1930	Total budgetary resources available	32	33	34
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	32	33	34
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	16	1	
3020	Outlays (gross)		-1	
3040	Recoveries of prior year unpaid obligations, unexpired	-15		
3050	Unpaid obligations, end of year	1		
Uncollected payments:				
3060	Uncollected pymts, Fed sources, brought forward, Oct 1	-31	-31	-31
3090	Uncollected pymts, Fed sources, end of year	-31	-31	-31
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	-15	-30	-31
3200	Obligated balance, end of year	-30	-31	-31
<b>Financing authority and disbursements, net:</b>				
Mandatory:				
4090	Budget authority, gross	1	1	1
Financing disbursements:				
4110	Outlays, gross (total)		1	
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4123	Repayments of principal, net	-1	-1	-1
4180	Budget authority, net (total)			
4190	Outlays, net (total)	-1		-1

Status of Direct Loans (in millions of dollars)

Identification code 086-4357-0-3-371	2015 actual	2016 est.	2017 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	82	50	49
1251	Repayments: Repayments and prepayments	-1	-1	-1
1264	Write-offs for default: Other adjustments, net (+ or -)	-31		
1290	Outstanding, end of year	50	49	48

Balance Sheet (in millions of dollars)

Identification code 086-4357-0-3-371	2014 actual	2015 actual	
<b>ASSETS:</b>			
1101	Federal assets: Fund balances with Treasury	2	2
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	82	50
1405	Allowance for subsidy cost (-)	-81	-50
1499	Net present value of assets related to direct loans	1	
1999	Total assets	3	2
<b>LIABILITIES:</b>			
2103	Federal liabilities: Debt payable to Treasury	3	2
4999	Total upward reestimate subsidy BA [86-0407]	3	2

OTHER ASSISTED HOUSING PROGRAMS

RENTAL HOUSING ASSISTANCE

For amendments to contracts under section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s) and section 236(f)(2) of the National Housing Act (12 U.S.C. 1715z-1) in State-aided, noninsured rental housing projects, **[\$30,000,000]** \$20,000,000, to remain available until expended: *Provided*, That such amount, together with unobligated balances from recaptured amounts appropri-

ated prior to fiscal year 2006 from terminated contracts under such sections of law, and any unobligated balances, including recaptures and carryover, remaining from funds appropriated under this heading after fiscal year 2005, shall also be available for extensions of up to one year for expiring contracts under such sections of law. (*Department of Housing and Urban Development Appropriations Act, 2016.*)

Program and Financing (in millions of dollars)

Identification code 086-0206-0-1-999	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0001	Rent supplement	11	12	4
0002	Homeownership and rental housing assistance (Sections 235 and 236)	17	27	24
0900	Total new obligations (object class 41.0)	28	39	28
<b>Budgetary resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	47	67	28
1010	Unobligated balance transfer to other accts [086-0303]		-9	
1021	Recoveries of prior year unpaid obligations	33		
1029	Other balances withdrawn to Treasury (from expired contracts)	-4		
1050	Unobligated balance (total)	76	58	28
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	18	30	20
1100	Appropriation (per RAD authority)		21	
1120	Appropriations transferred to other acct [086-0303]		-21	
1131	Unobligated balance of appropriations permanently reduced		-21	
1160	Appropriation, discretionary (total)	18	9	20
Appropriations, mandatory:				
1200	Appropriation	185		
1238	Appropriations applied to liquidate contract authority	-185		
Spending authority from offsetting collections, discretionary:				
1700	Collected	1		
1900	Budget authority (total)	19	9	20
1930	Total budgetary resources available	95	67	48
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	67	28	20
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	1,224	959	789
3010	Obligations incurred, unexpired accounts	28	39	28
3020	Outlays (gross)	-260	-209	-187
3040	Recoveries of prior year unpaid obligations, unexpired	-33		
3050	Unpaid obligations, end of year	959	789	630
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	1,224	959	789
3200	Obligated balance, end of year	959	789	630
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross	19	9	20
Outlays, gross:				
4010	Outlays from new discretionary authority	3		12
4011	Outlays from discretionary balances	257	209	175
4020	Outlays, gross (total)	260	209	187
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4033	Non-Federal sources	-1		
4180	Budget authority, net (total)	18	9	20
4190	Outlays, net (total)	259	209	187
<b>Memorandum (non-add) entries:</b>				
5052	Obligated balance, SOY: Contract authority	185		

The Other Assisted Housing account contains the programs listed below:  
*Rent Supplement.*—Rent Supplement assistance payments will continue to be made on behalf of qualified low-income tenants in assisted units that have not converted to Section 8.

*Section 235.*—The Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181) authorized a restructured Section 235 (Homeownership Assistance) program that provided homeowners a ten-year interest reduction subsidy on their mortgages.

OTHER ASSISTED HOUSING PROGRAMS—Continued

**Section 236.**—The Housing and Urban Development Act of 1968, as amended, authorizes the Section 236 Rental Housing Assistance Program, which subsidizes the monthly mortgage payment that an owner of a rental or cooperative project is required to make. This interest subsidy reduces rents for lower income tenants. Some Section 236 properties also have rental assistance contracts with HUD through the Rental Assistance Payment (RAP) program.

As an increasing number of Rent Supplement and RAP rental assistance contracts reach the ends of their terms, HUD is taking steps to preserve this affordable housing stock. The Rental Assistance Demonstration (RAD) enables owners of properties with expiring Rent Supplement or RAP contracts to convert their assistance to long-term, project-based Section 8 contracts. More information on this Demonstration is available under the RAD heading.

HOMEOWNERSHIP AND OPPORTUNITY FOR PEOPLE EVERYWHERE GRANTS (HOPE GRANTS)

**Program and Financing** (in millions of dollars)

Identification code 086-0196-0-1-604	2015 actual	2016 est.	2017 est.
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	1	1	1
1930 Total budgetary resources available .....	1	1	1
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	1	1	1
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....			

The Homeownership and Opportunity for People Everywhere Program, funded from 1992-1995, provided affordable homeownership opportunities for low-income families. Units were converted to homeownership from public and Indian housing properties in HOPE I, from FHA-insured and Government-held multifamily properties in HOPE II, and from Government-owned or -held single family properties in HOPE III. HOPE Grants were used for property acquisition, rehabilitation, mortgage subsidies, security measures, and technical assistance. In addition, grants have been devoted to counseling and training of residents, and other activities intended to help them become economically self-sufficient homeowners.

GREEN RETROFIT PROGRAM FOR MULTIFAMILY HOUSING, RECOVERY ACT

**Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program** (in millions of dollars)

Identification code 086-0306-0-1-604	2015 actual	2016 est.	2017 est.
Direct loan reestimates:			
135001 Energy Retrofit Loans .....		-13	

The Green Retrofit Program (GRP) offered grants and loans to owners of eligible HUD-assisted multifamily housing properties to fund green retrofits, which are intended to reduce ongoing utility consumption, benefit resident health, and benefit the environment. This program was funded under Title XII of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5), and the authority to make new awards has expired. All loan cash flows are recorded in the corresponding financing account (86-4589).

RENTAL HOUSING ASSISTANCE FUND

**Program and Financing** (in millions of dollars)

Identification code 086-4041-0-3-604	2015 actual	2016 est.	2017 est.
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	5	7	9

Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	2	2	2
1930 Total budgetary resources available .....	7	9	11
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	7	9	11

<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	2	2	2
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources .....	-2	-2	-2
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	-2	-2	-2

As authorized by the Housing and Urban Development Act of 1968, this account collects funds which are in excess of the established basic rents for units in Section 236 subsidized projects. Funds in this account remain available to pay refunds of excess rental charges.

FLEXIBLE SUBSIDY FUND

**Program and Financing** (in millions of dollars)

Identification code 086-4044-0-3-604	2015 actual	2016 est.	2017 est.
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	336	378	420
Budget authority:			
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	42	42	42
1930 Total budgetary resources available .....	378	420	462
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	378	420	462
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	42	42	42
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033 Non-Federal sources .....	-42	-42	-42
4040 Offsets against gross budget authority and outlays (total) ....	-42	-42	-42
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	-42	-42	-42
<b>Memorandum (non-add) entries:</b>			
5090 Unexpired unavailable balance, SOY: Offsetting collections .....	2	2	2
5092 Unexpired unavailable balance, EOY: Offsetting collections .....	2	2	2

**Status of Direct Loans** (in millions of dollars)

Identification code 086-4044-0-3-604	2015 actual	2016 est.	2017 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	476	428	399
1251 Repayments: Repayments and prepayments .....	-28	-29	-29
1264 Write-offs for default: Other adjustments: to reflect actual outstanding balance of loans, net (+ or -) .....	-20		
1290 Outstanding, end of year .....	428	399	370

The Flexible Subsidy Fund assisted financially troubled subsidized projects under certain Federal Housing Administration (FHA) authorities. The subsidies were intended to prevent potential losses to the FHA fund resulting from project insolvency and to preserve these projects as a viable source of housing for low and moderate-income tenants. Priority was given to projects with Federal insurance-in-force and then to those with mortgages that had been assigned to the Department of Housing and Urban Development.

**Balance Sheet** (in millions of dollars)

Identification code 086-4044-0-3-604	2014 actual	2015 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	338	380
1601 Direct loans, gross .....	451	428

1602	Interest receivable .....	88	79
1603	Allowance for estimated uncollectible loans and interest (-) .....	-39	-46
1699	Value of assets related to direct loans .....	500	461
1999	Total assets .....	838	841
<b>NET POSITION:</b>			
3100	Unexpended appropriations .....	338	380
3300	Cumulative results of operations .....	500	461
3999	Total net position .....	838	841
4999	Total liabilities and net position .....	838	841

4130	Offsets against gross budget authority and outlays (total) ....	-2	-3	-3
4170	Outlays, net (mandatory) .....	2	1	1
4180	Budget authority, net (total) .....			
4190	Outlays, net (total) .....	2	1	1

**Status of Guaranteed Loans** (in millions of dollars)

Identification code 086-4353-0-3-371	2015 actual	2016 est.	2017 est.	
<b>Position with respect to appropriations act limitation on commitments:</b>				
2143	Uncommitted limitation carried forward .....			
2150	Total guaranteed loan commitments .....			
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year .....	104	101	98
2251	Repayments and prepayments .....			
<b>Adjustments:</b>				
2261	Terminations for default that result in loans receivable .....			
2262	Terminations for default that result in acquisition of property .....	-3	-3	-3
2263	Terminations for default that result in claim payments .....			
2290	Outstanding, end of year .....	101	98	95
<b>Memorandum:</b>				
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	100	98	95
<b>Addendum:</b>				
<b>Cumulative balance of defaulted guaranteed loans that result in loans receivable:</b>				
2310	Outstanding, start of year .....		2	2
2331	Disbursements for guaranteed loan claims .....	2		
2390	Outstanding, end of year .....	2	2	2

**HOME OWNERSHIP PRESERVATION EQUITY FUND PROGRAM ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 086-0343-0-1-371	2015 actual	2016 est.	2017 est.	
<b>Budgetary resources:</b>				
<b>Unobligated balance:</b>				
1000	Unobligated balance brought forward, Oct 1 .....	461	461	6
1023	Unobligated balances applied to repay debt .....		-455	
1050	Unobligated balance (total) .....	461	6	6
1930	Total budgetary resources available .....	461	6	6
<b>Memorandum (non-add) entries:</b>				
1941	Unexpired unobligated balance, end of year .....	461	6	6
4180	Budget authority, net (total) .....			
4190	Outlays, net (total) .....			

The HOPE for Homeowners program was created by the Housing and Economic Recovery Act of 2008 to help homeowners at risk of default and foreclosure refinance into affordable, sustainable loans. Under the Program, eligible homeowners refinanced their current mortgage loans into a new mortgage insured by FHA. The program ended on September 30, 2011. This account now only reflects the liquidation of prior year obligations. In 2016, excess HOPE Bond proceeds in the amount of \$455 million will be transferred to the HOPE Reserve Fund, and used to retire the HOPE Bonds. Remaining HOPE Bond activity is shown in the HOPE Reserve Fund.

**HOME OWNERSHIP PRESERVATION ENTITY FUND FINANCING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 086-4353-0-3-371	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
<b>Credit program obligations:</b>				
0711	Default claim payments on principal .....	3	3	3
0712	Default claim payments on interest .....	1	1	1
0900	Total new obligations .....	4	4	4
<b>Budgetary resources:</b>				
<b>Unobligated balance:</b>				
1000	Unobligated balance brought forward, Oct 1 .....	17	15	14
<b>Financing authority:</b>				
<b>Spending authority from offsetting collections, mandatory:</b>				
1800	Collected .....	2	3	3
1930	Total budgetary resources available .....	19	18	17
<b>Memorandum (non-add) entries:</b>				
1941	Unexpired unobligated balance, end of year .....	15	14	13
<b>Change in obligated balance:</b>				
<b>Unpaid obligations:</b>				
3010	Obligations incurred, unexpired accounts .....	4	4	4
3020	Outlays (gross) .....	-4	-4	-4
<b>Financing authority and disbursements, net:</b>				
<b>Mandatory:</b>				
4090	Budget authority, gross .....	2	3	3
<b>Financing disbursements:</b>				
4110	Outlays, gross (total) .....	4	4	4
<b>Offsets against gross financing authority and disbursements:</b>				
<b>Offsetting collections (collected) from:</b>				
4123	Premiums .....	-2	-2	-2
4123	Recoveries on defaults .....		-1	-1

**Balance Sheet** (in millions of dollars)

Identification code 086-4353-0-3-371	2014 actual	2015 actual	
<b>ASSETS:</b>			
1101	Federal assets: Fund balances with Treasury .....	20	16
<b>Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:</b>			
1501	Defaulted guaranteed loans receivable, gross .....		2
1504	Foreclosed property .....	1	7
1505	Allowance for subsidy cost (-) .....	-1	-2
1599	Net present value of assets related to defaulted guaranteed loans .....		7
1999	Total assets .....	20	23
<b>LIABILITIES:</b>			
2204	Non-Federal liabilities: Liabilities for loan guarantees .....	20	23
4999	Total liabilities and net position .....	20	23

**MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT**

New commitments to guarantee single family loans insured under the Mutual Mortgage Insurance Fund shall not exceed \$400,000,000,000, to remain available until September 30, [2017] 2018: *Provided*, That during fiscal year [2016] 2017, obligations to make direct loans to carry out the purposes of section 204(g) of the National Housing Act, as amended, shall not exceed \$5,000,000: *Provided further*, That the foregoing amount in the previous proviso shall be for loans to nonprofit and governmental entities in connection with sales of single family real properties owned by the Secretary and formerly insured under the Mutual Mortgage Insurance Fund: *Provided further*, That for administrative contract expenses of the Federal Housing Administration, [ \$130,000,000 ] \$160,000,000, to remain available until September 30, [2017] 2018: *of which up to \$30,000,000 may be used for necessary salaries and expenses and information technology systems of the Federal Housing Administration, which is in addition to amounts otherwise provided under this title for such salaries and expenses and information technology purposes: Provided further*, That any amounts to be used for such salaries and expenses pursuant to the previous proviso shall be transferred to the "Housing" account under the heading "Program Office Salaries and Expenses" under this title for such purposes and shall remain available until September 30, 2018, and any amounts to be used for such information technology purposes pursuant to the previous proviso shall be transferred to the Information Technology Fund under this title for such purposes and shall remain available until September 30, 2018, and any such transferred amounts may

## MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT—Continued

be transferred back to this account and shall remain available until September 30, 2018: Provided further, That to the extent guaranteed loan commitments exceed \$200,000,000,000 on or before April 1, [2016] 2017, an additional \$1,400 for administrative contract expenses shall be available for each \$1,000,000 in additional guaranteed loan commitments (including a pro rata amount for any amount below \$1,000,000), but in no case shall funds made available by this proviso exceed \$30,000,000: Provided further, That receipts from administrative support fees collected pursuant to section 202 of the National Housing Act, as amended by section 238 of this title, shall be credited as offsetting collections to this account. (Department of Housing and Urban Development Appropriations Act, 2016.)

## Program and Financing (in millions of dollars)

Identification code 086-0183-0-1-371	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
Credit program obligations:				
0707	Reestimates of loan guarantee subsidy .....	11,789	3,355	.....
0708	Interest on reestimates of loan guarantee subsidy .....	1,103	153	.....
0709	Administrative expenses .....	129	138	151
0900	Total new obligations .....	13,021	3,646	151
<b>Budgetary resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	43	45	42
1001	Discretionary unobligated balance brought fwd, Oct 1 .....	43	45	.....
1011	Unobligated balance transfer from other acct [086-0236] .....	7,337	3,508	.....
1021	Recoveries of prior year unpaid obligations .....	4	5	5
1050	Unobligated balance (total) .....	7,384	3,558	47
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation - Administrative Expenses .....	130	130	160
1120	Appropriations transferred to other accts [086-0108] .....	.....	.....	-1
1160	Appropriation, discretionary (total) .....	130	130	159
Spending authority from offsetting collections, discretionary:				
1700	Collected .....	.....	.....	30
1725	Spending authority from offsetting collections precluded from obligation (limitation on obligations) .....	.....	.....	-30
Spending authority from offsetting collections, mandatory:				
1811	Spending authority from offsetting collections transferred from other accounts [086-0236] .....	5,554	.....	.....
1900	Budget authority (total) .....	5,684	130	159
1930	Total budgetary resources available .....	13,068	3,688	206
Memorandum (non-add) entries:				
1940	Unobligated balance expiring .....	-2	.....	.....
1941	Unexpired unobligated balance, end of year .....	45	42	55
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	146	133	162
3010	Obligations incurred, unexpired accounts .....	13,021	3,646	151
3020	Outlays (gross) .....	-13,010	-3,612	-113
3040	Recoveries of prior year unpaid obligations, unexpired .....	-4	-5	-5
3041	Recoveries of prior year unpaid obligations, expired .....	-20	.....	.....
3050	Unpaid obligations, end of year .....	133	162	195
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	146	133	162
3200	Obligated balance, end of year .....	133	162	195
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	130	130	159
Outlays, gross:				
4010	Outlays from new discretionary authority .....	27	13	16
4011	Outlays from discretionary balances .....	92	91	97
4020	Outlays, gross (total) .....	119	104	113
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4033	Non-Federal sources .....	.....	.....	-30
Mandatory:				
4090	Budget authority, gross .....	5,554	.....	.....
Outlays, gross:				
4100	Outlays from new mandatory authority .....	5,554	.....	.....
4101	Outlays from mandatory balances .....	7,337	3,508	.....
4110	Outlays, gross (total) .....	12,891	3,508	.....
4180	Budget authority, net (total) .....	5,684	130	129
4190	Outlays, net (total) .....	13,010	3,612	83

## Memorandum (non-add) entries:

5092	Unexpired unavailable balance, EOY: Offsetting collections .....	.....	.....	30
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## Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 086-0183-0-1-371	2015 actual	2016 est.	2017 est.	
Direct loan levels supportable by subsidy budget authority:				
115001	MMI Fund, Direct loans .....	5	5	5
Direct loan subsidy (in percent):				
132001	MMI Fund, Direct loans .....	0.00	0.00	0.00
Guaranteed loan levels supportable by subsidy budget authority:				
215002	MMI Fund .....	212,961	209,000	204,000
215004	MMI HECM .....	15,988	15,138	18,469
215005	MMI Refi .....	194	300	200
215999	Total loan guarantee levels .....	229,143	224,438	222,669
Guaranteed loan subsidy (in percent):				
232002	MMI Fund .....	-6.11	-3.70	-4.42
232004	MMI HECM .....	-4.00	-6.69	-3.33
232005	MMI Refi .....	0.00	0.00	0.00
232999	Weighted average subsidy rate .....	-5.71	-3.49	-4.08
Guaranteed loan subsidy budget authority:				
233002	MMI Fund .....	-13,021	-7,733	-9,017
233004	MMI HECM .....	-64	-104	-61
233999	Total subsidy budget authority .....	-13,085	-7,837	-9,078
Guaranteed loan subsidy outlays:				
234002	MMI Fund .....	-13,021	-7,733	-9,017
234004	MMI HECM .....	-64	-104	-61
234999	Total subsidy outlays .....	-13,085	-7,837	-9,078
Guaranteed loan reestimates:				
235002	MMI Fund .....	3,665	-6,617	.....
235004	MMI HECM .....	790	-5,336	.....
235999	Total guaranteed loan reestimates .....	4,455	-11,953	.....
Administrative expense data:				
3510	Budget authority .....	130	174	160
3580	Outlays from balances .....	92	91	96
3590	Outlays from new authority .....	27	13	16

The Federal Housing Administration (FHA) provides mortgage insurance to encourage lenders to make credit available to borrowers for whom the conventional market does not adequately serve. These include first-time homebuyers, minorities, lower-income families, and residents of underserved areas (central cities and rural areas). In recent years, FHA has also provided broad access to credit as conventional financing became scarce.

In 2017, the Budget requests a limitation of \$400 billion on loan guarantees for the Mutual Mortgage Insurance (MMI) Fund. The Budget projects insurance of \$204 billion in single family forward mortgages and \$18.5 billion in Home Equity Conversion Mortgages (HECMs) with additional commitment authority available in case these amounts are exceeded during execution.

The Budget requests an appropriation of \$160 million in administrative expenses, which will allow FHA to implement improved risk management and program support processes which are critical for FHA's oversight of its insured portfolio. The Budget also requests authority to charge lenders an administrative support fee on a prospective basis with a sunset expiration date, which would generate an estimated \$30 million in offsetting collections in this account. These additional resources will fund enhancements to administrative contract support and information technology, with a focus on enhanced risk management tools to reduce losses to the FHA insurance fund. The Budget allows for a transfer of up to \$30 million from this account to the Office of Housing Salaries and Expenses account and the Information Technology Fund. Any funds transferred will be used for FHA salaries and expenses and information technology purposes and any unobligated balances will be transferred back to the MMI Program account.

FHA has made multiple policy changes to strengthen the MMI Fund and now requires manual underwriting for loans with credit scores below 620 and debt-to-income ratios greater than 43 percent to ensure that such borrowers possess compensating factors that accord with FHA underwriting guidelines. To improve access to credit without negatively impacting the

upward trajectory of the MMI Capital Reserve Fund, FHA implemented a 0.5 percentage point reduction in the annual insurance premium in January 2015.

HUD is pursuing comprehensive legislative changes to give FHA the tools it needs to build upon the many administrative steps it has taken since 2009 to improve FHA single family programs. These proposals will allow FHA to enhance enforcement, create certainty for FHA approved lenders, and increase loss mitigation opportunities for borrowers with FHA approved loans. In total, these steps will reduce losses to the MMI Fund.

**Enhanced Indemnification Authority to Obtain Indemnification for Direct Endorsement Lenders.**—To originate FHA insured loans, lenders must be approved by FHA to be either a Lender Insurance or a Direct Endorsement Lender. FHA can only seek indemnification from lenders with Lender Insurance approval. HUD seeks authority that would provide the ability to treat both classes of FHA approved lenders equally with respect to non-compliant loans.

**Authority to Terminate Origination and Underwriting Approval.**—HUD continues to seek authority to terminate lender approval on a broader geographic basis for institutions with default rates significantly higher than their peers.

**Directed Sub-Servicing.**—HUD seeks authority enabling FHA to, on a case by case basis, require third party servicing of loans by institutions better equipped to reduce losses to the fund and assist borrowers.

**Revise FHA's Compare Ratio.**—In an effort to provide greater clarity and certainty to lenders while enabling FHA to more effectively minimize poor lender performance and resulting losses, HUD seeks legislative authority to revise the calculation for the Compare Ratio to better reflect the modern lending environment.

Object Classification (in millions of dollars)				
Identification code 086-0183-0-1-371	2015 actual	2016 est.	2017 est.	
Direct obligations:				
25.2 Other services from non-Federal sources .....	129	138	151	
41.0 Grants, subsidies, and contributions .....	11,789	3,355	.....	
43.0 Interest and dividends .....	1,103	153	.....	
99.9 Total new obligations .....	13,021	3,646	151	

FHA-MUTUAL MORTGAGE INSURANCE DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 086-4242-0-3-371	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0003 Claims & other .....		1	1	
Credit program obligations:				
0710 Direct loan obligations .....		5	5	
0713 Payment of interest to Treasury .....		1	1	
0791 Direct program activities, subtotal .....		6	6	
0900 Total new obligations .....		7	7	
<b>Budgetary resources:</b>				
Unobligated balance:				
1000 Unobligated balance brought forward, Oct 1 .....	6	6	6	
1050 Unobligated balance (total) .....	6	6	6	
Financing authority:				
Borrowing authority, mandatory:				
1400 Borrowing authority .....		5	5	
Spending authority from offsetting collections, mandatory:				
1800 Collected .....		2	2	
1900 Budget authority (total) .....		7	7	
1930 Total budgetary resources available .....	6	13	13	
Memorandum (non-add) entries:				
1941 Unexpired unobligated balance, end of year .....	6	6	6	
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000 Unpaid obligations, brought forward, Oct 1 .....			2	
3010 Obligations incurred, unexpired accounts .....		7	7	

3020 Outlays (gross) .....		-5	-5	
3050 Unpaid obligations, end of year .....		2	4	
Memorandum (non-add) entries:				
3100 Obligated balance, start of year .....			2	
3200 Obligated balance, end of year .....		2	4	
<b>Financing authority and disbursements, net:</b>				
Mandatory:				
4090 Budget authority, gross .....		7	7	
Financing disbursements:				
4110 Outlays, gross (total) .....		5	5	
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4123 Repayment of Principal .....		-1	-1	
4123 Repayment of interest .....		-1	-1	
4130 Offsets against gross budget authority and outlays (total) ....		-2	-2	
4160 Budget authority, net (mandatory) .....		5	5	
4170 Outlays, net (mandatory) .....		3	3	
4180 Budget authority, net (total) .....		5	5	
4190 Outlays, net (total) .....		3	3	

Status of Direct Loans (in millions of dollars)

Identification code 086-4242-0-3-371	2015 actual	2016 est.	2017 est.	
Position with respect to appropriations act limitation on obligations:				
1111 Direct loan obligations from current-year authority .....	20	5	5	
1142 Unobligated direct loan limitation (-) .....	-20	.....	.....	
1150 Total direct loan obligations .....		5	5	
Cumulative balance of direct loans outstanding:				
1231 Disbursements: Direct loan disbursements .....		1	1	
1251 Repayments: Repayments and prepayments .....		-1	-1	

Balance Sheet (in millions of dollars)

Identification code 086-4242-0-3-371	2014 actual	2015 actual	
<b>ASSETS:</b>			
1101 Federal assets: Fund balances with Treasury .....		6	6
1405 Net value of assets related to post-1991 direct loans receivable:		-6	-3
Allowance for subsidy cost (-) .....			
1999 Total assets .....			3
<b>LIABILITIES:</b>			
2103 Federal liabilities: Federal Liabilities - Debt .....			
2204 Non-Federal liabilities: Liabilities for loan guarantees .....			3
2999 Total liabilities .....			3
4999 Total liabilities and net position .....			3

FHA-MUTUAL MORTGAGE INSURANCE GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 086-4587-0-3-371	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0003 Other capital investment & operating expenses .....	3,434	3,524	7,270	
Credit program obligations:				
0711 Default claim payments on principal .....	16,491	17,817	17,810	
0712 Default claim payments on interest .....	283	306	244	
0713 Payment of interest to Treasury .....	937	700	700	
0740 Negative subsidy obligations .....	13,085	7,837	9,078	
0742 Downward reestimate paid to receipt account .....	5,638	12,449	.....	
0743 Interest on downward reestimates .....	2,797	3,011	.....	
0791 Direct program activities, subtotal .....	39,231	42,120	27,832	
0900 Total new obligations .....	42,665	45,644	35,102	
<b>Budgetary resources:</b>				
Unobligated balance:				
1000 Unobligated balance brought forward, Oct 1 .....	37,072	27,598	11,858	
1021 Recoveries of prior year unpaid obligations .....	333	310	368	
1050 Unobligated balance (total) .....	37,405	27,908	12,226	
Financing authority:				
Borrowing authority, mandatory:				
1400 Borrowing authority .....	10,003	8,600	8,600	

FHA-MUTUAL MORTGAGE INSURANCE GUARANTEED LOAN FINANCING  
ACCOUNT—Continued  
Program and Financing—Continued

Identification code 086-4587-0-3-371	2015 actual	2016 est.	2017 est.
<b>Spending authority from offsetting collections, mandatory:</b>			
1800 Offsetting collections .....	34,373	23,094	30,176
1825 Spending authority from offsetting collections applied to repay debt .....	-11,518	-2,100	-2,100
1850 Spending auth from offsetting collections, mand (total) .....	22,855	20,994	28,076
1900 Budget authority (total) .....	32,858	29,594	36,676
1930 Total budgetary resources available .....	70,263	57,502	48,902
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	27,598	11,858	13,800
<b>Change in obligated balance:</b>			
<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	1,806	2,041	8,896
3010 Obligations incurred, unexpired accounts .....	42,665	45,644	35,102
3020 Outlays (gross) .....	-42,097	-38,479	-34,640
3040 Recoveries of prior year unpaid obligations, unexpired .....	-333	-310	-368
3050 Unpaid obligations, end of year .....	2,041	8,896	8,990
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	1,806	2,041	8,896
3200 Obligated balance, end of year .....	2,041	8,896	8,990
<b>Financing authority and disbursements, net:</b>			
<b>Mandatory:</b>			
4090 Budget authority, gross .....	32,858	29,594	36,676
<b>Financing disbursements:</b>			
4110 Outlays, gross (total) .....	42,097	38,479	34,640
<b>Offsets against gross financing authority and disbursements:</b>			
<b>Offsetting collections (collected) from:</b>			
4120 Transfer of Reestimates from reserves in Capital Reserve account .....	-12,891	-3,508	.....
4122 Interest on uninvested funds .....	-1,372	-1,500	-1,500
4123 Fees and premiums .....	-12,592	-11,601	-12,819
4123 Recoveries on defaults .....	-7,518	-6,485	-15,857
4130 Offsets against gross budget authority and outlays (total) ...	-34,373	-23,094	-30,176
4160 Budget authority, net (mandatory) .....	-1,515	6,500	6,500
4170 Outlays, net (mandatory) .....	7,724	15,385	4,464
4180 Budget authority, net (total) .....	-1,515	6,500	6,500
4190 Outlays, net (total) .....	7,724	15,385	4,464

Status of Guaranteed Loans (in millions of dollars)

Identification code 086-4587-0-3-371	2015 actual	2016 est.	2017 est.
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Guaranteed loan commitments from current-year authority .....	400,000	400,000	400,000
2142 Uncommitted loan guarantee limitation .....	-170,857	-175,562	-177,331
2150 Total guaranteed loan commitments .....	229,143	224,438	222,669
2199 Guaranteed amount of guaranteed loan commitments .....	229,143	224,438	222,669
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....	1,130,573	1,121,985	1,206,650
2231 Disbursements of new guaranteed loans .....	229,143	224,438	222,669
2251 Repayments and prepayments .....	-221,239	-116,953	-88,068
<b>Adjustments:</b>			
2261 Terminations for default that result in loans receivable .....	-7,064	-6,600	-5,626
2262 Terminations for default that result in acquisition of property .....	-8,437	-11,566	-10,127
2263 Terminations for default that result in claim payments .....	-991	-4,654	-3,969
2264 Other adjustments, net .....	.....	.....	.....
2290 Outstanding, end of year .....	1,121,985	1,206,650	1,321,529
<b>Memorandum:</b>			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	1,121,985	1,206,650	1,321,529

Addendum:

Identification code 086-4587-0-3-371	2015 actual	2016 est.	2017 est.
<b>Cumulative balance of defaulted guaranteed loans that result in loans receivable:</b>			
2310 Outstanding, start of year .....	6,240	10,983	14,342
2331 Disbursements for guaranteed loan claims .....	7,064	7,926	7,989
2351 Repayments of loans receivable .....	-2,169	-3,110	-3,389
2361 Write-offs of loans receivable .....	-152	-1,457	-803
2364 Other adjustments, net .....	.....	.....	.....

2390	Outstanding, end of year .....	10,983	14,342	18,139
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Balance Sheet (in millions of dollars)

Identification code 086-4587-0-3-371	2014 actual	2015 actual
<b>ASSETS:</b>		
<b>Federal assets:</b>		
1101 Fund balances with Treasury .....	38,877	29,638
<b>Investments in US securities:</b>		
1106 Receivables, net .....	9,714	7,436
1206 Non-Federal assets: Receivables, net .....	1,428	370
<b>Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:</b>		
1501 Defaulted guaranteed loans receivable, gross .....	6,240	10,983
1502 Interest receivable .....	371	991
1504 Foreclosed property .....	2,442	3,140
1505 Allowance for subsidy cost .....	-4,792	-8,060
1599 Net value of assets related to defaulted guaranteed loan .....	4,261	7,054
1901 Other Federal assets: Other assets .....	2	.....
1999 Total assets .....	54,282	44,498
<b>LIABILITIES:</b>		
<b>Federal liabilities:</b>		
2101 Accounts payable .....	3	1
2103 Federal liabilities, Debt .....	23,048	21,533
2105 Other .....	6,198	11,892
<b>Non-Federal liabilities:</b>		
2201 Accounts payable .....	115	242
2204 Liabilities for loan guarantees .....	24,625	10,414
2207 Other .....	293	416
2999 Total liabilities .....	54,282	44,498
4999 Total liabilities and net position .....	54,282	44,498

FHA-MUTUAL MORTGAGE INSURANCE CAPITAL RESERVE ACCOUNT

Program and Financing (in millions of dollars)

Identification code 086-0236-0-1-371	2015 actual	2016 est.	2017 est.
<b>Budgetary resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	7,337	15,963	36,039
1010 Unobligated balance transfer to other accts [086-0183] .....	-7,337	-3,508	.....
1010 Unobligated balance transfer to other accts [086-4070] .....	.....	-10	.....
1050 Unobligated balance (total) .....	.....	12,445	36,039
<b>Budget authority:</b>			
<b>Spending authority from offsetting collections, mandatory:</b>			
1800 Offsetting collections (negative subsidy) .....	13,085	7,837	9,078
1800 Offsetting collections (interest on investments) .....	-10	297	732
1800 Offsetting collections (downward reestimate) .....	8,436	15,460	.....
1801 Change in uncollected payments, Federal sources .....	6	.....	.....
1810 Spending authority from offsetting collections transferred to other accounts [086-0183] .....	-5,554	.....	.....
1850 Spending auth from offsetting collections, mand (total) .....	15,963	23,594	9,810
1930 Total budgetary resources available .....	15,963	36,039	45,849
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	15,963	36,039	45,849
<b>Change in obligated balance:</b>			
<b>Uncollected payments:</b>			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-8	-14	-14
3070 Change in uncollected pymts, Fed sources, unexpired .....	-6	.....	.....
3090 Uncollected pymts, Fed sources, end of year .....	-14	-14	-14
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	-8	-14	-14
3200 Obligated balance, end of year .....	-14	-14	-14

Budget authority and outlays, net:

Identification code 086-0236-0-1-371	2015 actual	2016 est.	2017 est.
<b>Discretionary:</b>			
<b>Offsets against gross budget authority and outlays:</b>			
<b>Offsetting collections (collected) from:</b>			
4030 Federal sources .....	-13,085	-7,837	-9,078
<b>Mandatory:</b>			
4090 Budget authority, gross .....	15,963	23,594	9,810
<b>Offsets against gross budget authority and outlays:</b>			
<b>Offsetting collections (collected) from:</b>			
4120 Federal Sources: Downward Re-estimate .....	-8,436	-15,460	.....
4121 Interest on Federal securities .....	10	-297	-732

4130	Offsets against gross budget authority and outlays (total) ....	-8,426	-15,757	-732
	Additional offsets against gross budget authority only:			
4140	Change in uncollected pymts, Fed sources, unexpired .....	-6		
4160	Budget authority, net (mandatory) .....	7,531	7,837	9,078
4170	Outlays, net (mandatory) .....	-8,426	-15,757	-732
4180	Budget authority, net (total) .....	-5,554		
4190	Outlays, net (total) .....	-21,511	-23,594	-9,810

**Memorandum (non-add) entries:**

5000	Total investments, SOY: Federal securities: Par value .....	6,379	14,733	34,742
5001	Total investments, EOY: Federal securities: Par value .....	14,733	34,742	44,858

The Capital Reserve account is the ultimate depository for all net budgetary resources collected by the Mutual Mortgage Insurance (MMI) Fund programs. Negative credit subsidy receipts from new loan guarantees and downward re-estimates as well as interest earnings on Treasury investments are recorded in this account. This account has no authority to obligate funds but transfers balances of budget authority as necessary for the cost of upward credit subsidy re-estimates to the MMI Program Account.

**Balance Sheet** (in millions of dollars)

Identification code 086-0236-0-1-371	2014 actual	2015 actual	
<b>ASSETS:</b>			
Federal assets:			
1101	Fund balances with Treasury .....	958	1,252
Investments in US securities:			
1102	Treasury securities, net .....	6,379	14,754
1106	Receivables, net .....	6,198	11,892
1999	Total assets .....	13,535	27,898
<b>LIABILITIES:</b>			
2101	Federal liabilities: Accounts payable .....	9,713	7,436
<b>NET POSITION:</b>			
3300	Cumulative results of operations .....	3,822	20,462
4999	Total liabilities and net position .....	13,535	27,898

FHA-MUTUAL MORTGAGE AND COOPERATIVE HOUSING INSURANCE FUNDS LIQUIDATING ACCOUNT

**Program and Financing** (in millions of dollars)

Identification code 086-4070-0-3-371	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0103	Acquisition of real properties .....	14	14	14
0191	Total capital investment .....	14	14	14
0202	Other Operation expenses .....	10	11	11
0900	Total new obligations .....	24	25	25
<b>Budgetary resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	16	10	10
1011	Unobligated balance transfer from other acct [086-0236] ....		10	
1021	Recoveries of prior year unpaid obligations .....	9	9	11
1050	Unobligated balance (total) .....	25	29	21
Budget authority:				
Spending authority from offsetting collections, mandatory:				
1800	Collected .....	9	6	4
1930	Total budgetary resources available .....	34	35	25
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	10	10	
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	145	145	132
3010	Obligations incurred, unexpired accounts .....	24	25	25
3020	Outlays (gross) .....	-15	-29	-26
3040	Recoveries of prior year unpaid obligations, unexpired .....	-9	-9	-11
3050	Unpaid obligations, end of year .....	145	132	120
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	145	145	132
3200	Obligated balance, end of year .....	145	132	120

**Budget authority and outlays, net:**

Identification code	2015 actual	2016 est.	2017 est.	
<b>Mandatory:</b>				
4090	Budget authority, gross .....	9	6	4
Outlays, gross:				
4100	Outlays from new mandatory authority .....	9	6	4
4101	Outlays from mandatory balances .....	6	23	22
4110	Outlays, gross (total) .....	15	29	26
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4123	Non-Federal sources - Fees & Premiums .....	-9	-6	-4
4180	Budget authority, net (total) .....	6	23	22
4190	Outlays, net (total) .....	6	23	22

**Status of Guaranteed Loans** (in millions of dollars)

Identification code 086-4070-0-3-371	2015 actual	2016 est.	2017 est.	
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year .....	1,648	1,056	391
2251	Repayments and prepayments .....	-578	-660	-391
2262	Adjustments: Terminations for default that result in acquisition of property .....	-14	-5	
2290	Outstanding, end of year .....	1,056	391	
<b>Memorandum:</b>				
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	1,056	391	
<b>Addendum:</b>				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year .....	21	22	23
2331	Disbursements for guaranteed loan claims .....	1	1	
2351	Repayments of loans receivable .....			
2361	Write-offs of loans receivable .....			
2390	Outstanding, end of year .....	22	23	23

**Financial condition.**—The following tables reflect assets, liabilities, and equity of MMI/CMHI liquidating funds as of September 30, 2015.

**Balance Sheet** (in millions of dollars)

Identification code 086-4070-0-3-371	2014 actual	2015 actual	
<b>ASSETS:</b>			
1101	Federal assets: Fund balances with Treasury .....	161	155
1206	Non-Federal assets: Receivables, net .....	3	5
1701	Defaulted guaranteed loans, gross .....	21	22
1703	Allowance for estimated uncollectible loans and interest (-) .....	-3	-3
1704	Defaulted guaranteed loans and interest receivable, net .....	18	19
1706	Foreclosed property .....	5	3
1799	Value of assets related to loan guarantees .....	23	22
1901	Other Federal assets: Other assets .....	1	1
1999	Total assets .....	188	183
<b>LIABILITIES:</b>			
Non-Federal liabilities:			
2201	Accounts payable .....	146	146
2204	Liabilities for loan guarantees .....	8	6
2207	Unearned revenue and advances, and other .....	15	17
2999	Total liabilities .....	169	169
<b>NET POSITION:</b>			
3300	Cumulative results of operations .....	19	14
4999	Total liabilities and net position .....	188	183

**Object Classification** (in millions of dollars)

Identification code 086-4070-0-3-371	2015 actual	2016 est.	2017 est.	
<b>Direct obligations:</b>				
25.2	Other services from non-Federal sources .....	10	11	11
32.0	Land and structures .....	14	14	14
99.9	Total new obligations .....	24	25	25

GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

New commitments to guarantee loans insured under the General and Special Risk Insurance Funds, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z-3 and 1735c), shall not exceed \$30,000,000,000 in total loan principal, any part of which is to be guaranteed, to remain available until September 30, [2017] 2018: *Provided*, That during fiscal year [2016] 2017, gross obligations for the principal amount of direct loans, as authorized by sections 204(g), 207(l), 238, and 519(a) of the National Housing Act, shall not exceed \$5,000,000, which shall be for loans to nonprofit and governmental entities in connection with the sale of single family real properties owned by the Secretary and formerly insured under such Act. (*Department of Housing and Urban Development Appropriations Act, 2016.*)

Program and Financing (in millions of dollars)

Identification code 086-0200-0-1-371	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0707 Reestimates of loan guarantee subsidy .....	1,224	2,157	.....
0708 Interest on reestimates of loan guarantee subsidy .....	857	1,125	.....
0900 Total new obligations (object class 41.0) .....	2,081	3,282	.....
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	17	6	.....
Budget authority:			
Appropriations, discretionary:			
1131 Unobligated balance of appropriations permanently reduced .....	-10	-6	.....
Appropriations, mandatory:			
1200 Appropriation .....	2,080	3,282	.....
1900 Budget authority (total) .....	2,070	3,276	.....
1930 Total budgetary resources available .....	2,087	3,282	.....
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	6	.....	.....
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	1	2	2
3010 Obligations incurred, unexpired accounts .....	2,081	3,282	.....
3020 Outlays (gross) .....	-2,080	-3,282	.....
3050 Unpaid obligations, end of year .....	2	2	2
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	1	2	2
3200 Obligated balance, end of year .....	2	2	2
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	-10	-6	.....
Mandatory:			
4090 Budget authority, gross .....	2,080	3,282	.....
Outlays, gross:			
4100 Outlays from new mandatory authority .....	2,080	3,282	.....
4180 Budget authority, net (total) .....	2,070	3,276	.....
4190 Outlays, net (total) .....	2,080	3,282	.....

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 086-0200-0-1-371	2015 actual	2016 est.	2017 est.
Direct loan levels supportable by subsidy budget authority:			
115002 FFB Risk Sharing .....	106	250	350
115999 Total direct loan levels .....	106	250	350
Direct loan subsidy (in percent):			
132002 FFB Risk Sharing .....	-10.83	-10.91	-11.19
132999 Weighted average subsidy rate .....	-10.83	-10.91	-11.19
Direct loan subsidy budget authority:			
133002 FFB Risk Sharing .....	-11	-27	-39
133999 Total subsidy budget authority .....	-11	-27	-39
Direct loan subsidy outlays:			
134002 FFB Risk Sharing .....	-8	-22	-34
134999 Total subsidy outlays .....	-8	-22	-34
Direct loan reestimates:			
135002 FFB Risk Sharing .....	.....	-5	.....
135999 Total direct loan reestimates .....	.....	-5	.....

Guaranteed loan levels supportable by subsidy budget authority:			
215001 Apartment New Construction / Substantial Rehab .....	2,333	2,460	2,630
215003 Tax Credits .....	2,247	2,360	2,525
215005 Apartment Refinances .....	5,531	4,980	4,830
215008 Housing Finance Agency Risk Sharing .....	100	105	110
215009 Qualified Participating Entity Risk Sharing .....	4	30	55
215010 Residential Care Facilities .....	325	325	325
215011 Residential Care Facility Refinances .....	2,445	2,440	2,440
215012 Hospitals .....	160	665	300
215013 Other Rental .....	67	70	75
215017 Title 1 Property Improvement .....	90	90	90
215018 Title 1 Manufactured Housing .....	32	30	30
215999 Total loan guarantee levels .....	13,334	13,555	13,410
Guaranteed loan subsidy (in percent):			
232001 Apartment New Construction / Substantial Rehab .....	-3.65	-2.56	-2.76
232003 Tax Credits .....	-3.19	-1.27	-1.14
232005 Apartment Refinances .....	-4.69	-4.14	-3.89
232008 Housing Finance Agency Risk Sharing .....	-2.67	-.93	-1.05
232009 Qualified Participating Entity Risk Sharing .....	-.89	-1.13	-.31
232010 Residential Care Facilities .....	-4.23	-3.43	-5.85
232011 Residential Care Facility Refinances .....	-4.33	-4.23	-5.14
232012 Hospitals .....	-4.45	-3.22	-5.52
232013 Other Rental .....	-3.39	-1.17	-3.45
232017 Title 1 Property Improvement .....	-.76	-.84	-1.07
232018 Title 1 Manufactured Housing .....	-2.13	-4.20	-3.78
232999 Weighted average subsidy rate .....	-4.12	-3.24	-3.40
Guaranteed loan subsidy budget authority:			
233001 Apartment New Construction / Substantial Rehab .....	-85	-63	-73
233003 Tax Credits .....	-72	-30	-29
233005 Apartment Refinances .....	-259	-206	-188
233008 Housing Finance Agency Risk Sharing .....	-3	-1	-1
233010 Residential Care Facilities .....	-14	-11	-19
233011 Residential Care Facility Refinances .....	-106	-103	-125
233012 Hospitals .....	-7	-21	-17
233013 Other Rental .....	-2	-1	-3
233017 Title 1 Property Improvement .....	-1	-1	-1
233018 Title 1 Manufactured Housing .....	-1	-1	-1
233999 Total subsidy budget authority .....	-550	-438	-457
Guaranteed loan subsidy outlays:			
234001 Apartment New Construction / Substantial Rehab .....	-74	-75	-67
234003 Tax Credits .....	-51	-58	-28
234005 Apartment Refinances .....	-259	-226	-183
234008 Housing Finance Agency Risk Sharing .....	.....	-3	-1
234010 Residential Care Facilities .....	-8	-17	-16
234011 Residential Care Facility Refinances .....	-118	-108	-114
234012 Hospitals .....	.....	-19	-17
234013 Other Rental .....	-1	-2	-2
234017 Title 1 Property Improvement .....	-1	-1	-1
234018 Title 1 Manufactured Housing .....	-1	-1	-1
234999 Total subsidy outlays .....	-513	-510	-430
Guaranteed loan reestimates:			
235023 GI/SRI Reestimates .....	-196	1,819	.....
235999 Total guaranteed loan reestimates .....	-196	1,819	.....

FHA's General Insurance and Special Risk Insurance (GI/SRI) programs provide mortgage insurance for a variety of purposes, including financing for the development and rehabilitation of multifamily housing, residential care facilities, and hospitals. The Budget requests a limitation of \$30 billion on loan guarantees for the GI/SRI Fund. It does not request an appropriation of new credit subsidy funds.

In 2016, FHA will reduce upfront and annual premiums for affordable and energy efficient rental housing. For loans insured under FHA's three signature new construction/substantial rehabilitation and refinance programs, the annual premium will be reduced by a range of 10 to 40 basis points. These targeted reductions will: 1) support the production and preservation of affordable rental housing; 2) incent energy efficiency improvements in both affordable and market rate housing; and 3) improve housing choice for low-income families by tying certain premium reductions to landlord acceptance of Federal rental vouchers.

FHA is also continuing its partnership with the Federal Financing Bank (FFB) to provide FFB financing for multifamily loans guaranteed by FHA under the Section 542(b) Qualified Participating Entity and Section 542(c) Housing Finance Agency (HFA) risk sharing programs. FFB financing is designed to reduce the cost of funds supporting affordable rental housing, thereby increasing levels of rehabilitation or offsetting the need for gap financing. FFB financing is available on an interim basis until the Congress



approves the proposal to permit Ginnie Mae securitization of such mortgages, which is included in a general provision at the end of this budget chapter. These FFB-financed guaranteed loans are treated as direct loans in the Budget.

FHA-GENERAL AND SPECIAL RISK GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 086-4077-0-3-371	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0003 Other capital investments and operating expenses	70	70	70
0014 Contract Costs	60	60	60
0091 Direct program activities, subtotal	130	130	130
Credit program obligations:			
0711 Default claim payments on principal	3,316	5,167	5,167
0712 Default claim payments on interest	363	568	525
0713 Payment of interest to Treasury	250	250	250
0740 Negative subsidy obligations	549	438	457
0742 Downward reestimate paid to receipt account	1,680	957	
0743 Interest on downward reestimates	595	506	
0791 Direct program activities, subtotal	6,753	7,886	6,399
0900 Total new obligations	6,883	8,016	6,529
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	8,474	6,361	4,934
1021 Recoveries of prior year unpaid obligations	49	50	50
1050 Unobligated balance (total)	8,523	6,411	4,984
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	2,020	2,000	2,000
Spending authority from offsetting collections, mandatory:			
1800 Collected	3,833	4,939	2,019
1825 Spending authority from offsetting collections applied to repay debt	-1,132	-400	-400
1850 Spending auth from offsetting collections, mand (total)	2,701	4,539	1,619
1900 Budget authority (total)	4,721	6,539	3,619
1930 Total budgetary resources available	13,244	12,950	8,603
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	6,361	4,934	2,074
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	423	438	659
3010 Obligations incurred, unexpired accounts	6,883	8,016	6,529
3020 Outlays (gross)	-6,819	-7,745	-6,585
3040 Recoveries of prior year unpaid obligations, unexpired	-49	-50	-50
3050 Unpaid obligations, end of year	438	659	553
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	423	438	659
3200 Obligated balance, end of year	438	659	553
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Budget authority, gross	4,721	6,539	3,619
Financing disbursements:			
4110 Outlays, gross (total)	6,819	7,745	6,585
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Subsidy reestimate from program account	-2,080	-3,282	
4122 Interest on uninvested funds	-379	-400	-400
4123 Fees and premiums	-855	-910	-856
4123 Recoveries on HUD-Held Notes	-282	-18	-195
4123 Title I recoveries	-8	-2	-2
4123 Single family property recoveries	-186	-239	-202
4123 Gross Proceeds from Mortgage Note Sales	-37	-88	-364
4123 Non-Federal Resources-other	-6		
4130 Offsets against gross budget authority and outlays (total)	-3,833	-4,939	-2,019
4160 Budget authority, net (mandatory)	888	1,600	1,600
4170 Outlays, net (mandatory)	2,986	2,806	4,566
4180 Budget authority, net (total)	888	1,600	1,600
4190 Outlays, net (total)	2,986	2,806	4,566

Status of Guaranteed Loans (in millions of dollars)

Identification code 086-4077-0-3-371	2015 actual	2016 est.	2017 est.
Position with respect to appropriations act limitation on commitments:			
2111 Guaranteed loan commitments from current-year authority	30,000	30,000	30,000
2142 Uncommitted loan guarantee limitation	-16,666	-16,445	-16,590
2150 Total guaranteed loan commitments	13,334	13,555	13,410
2199 Guaranteed amount of guaranteed loan commitments	13,282	13,488	13,328
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	151,910	148,546	145,977
2231 Disbursements of new guaranteed loans	12,743	12,826	12,773
2251 Repayments and prepayments	-12,791	-10,228	-10,231
Adjustments:			
2261 Terminations for default that result in loans receivable	-1,499	-4,188	-4,188
2262 Terminations for default that result in acquisition of property	-234	-211	-211
2263 Terminations for default that result in claim payments	-1,583	-768	-768
2290 Outstanding, end of year	148,546	145,977	143,352
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	145,238	142,602	138,446
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	3,505	4,054	7,104
2331 Disbursements for guaranteed loan claims	1,499	4,188	5,791
2351 Repayments of loans receivable	-208	-280	-637
2361 Write-offs of loans receivable	-742	-858	-1,503
2390 Outstanding, end of year	4,054	7,104	10,755

Balance Sheet (in millions of dollars)

Identification code 086-4077-0-3-371	2014 actual	2015 actual
<b>ASSETS:</b>		
Federal assets:		
1101 Fund balances with Treasury	8,898	6,801
Investments in US securities:		
1106 Receivables, net	3,465	2,921
Non-Federal assets:		
1201 Investments in non-Federal securities, net	41	31
1206 Receivables, net	27	32
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1501 Defaulted guaranteed loans receivable, gross	3,505	4,054
1502 Interest receivable	1,245	1,562
1504 Foreclosed property	101	152
1505 Allowance for subsidy cost	-2,106	-2,000
1599 Net value of assets related to defaulted guaranteed loan	2,745	3,768
1901 Other Federal assets: Other assets	5	9
1999 Total assets	15,181	13,562
<b>LIABILITIES:</b>		
Federal liabilities:		
2103 Debt	4,480	5,368
2105 Other	1,689	2,327
Non-Federal liabilities:		
2201 Accounts payable	172	135
2204 Liabilities for loan guarantees	8,817	5,669
2207 Other	23	63
2999 Total liabilities	15,181	13,562
4999 Total liabilities and net position	15,181	13,562

FHA-GENERAL AND SPECIAL RISK DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 086-4105-0-3-371	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0710 Direct loan obligations	106	250	350
0712 Default claim payments on interest		1	1
0713 Payment of interest to Treasury	1	2	1
0715 Payment of Interest to FFB	3	12	21

FHA-GENERAL AND SPECIAL RISK DIRECT LOAN FINANCING ACCOUNT—Continued  
Program and Financing—Continued

Identification code 086-4105-0-3-371	2015 actual	2016 est.	2017 est.
0740 Negative subsidy obligations .....	12	27	39
0742 Downward reestimate paid to receipt account .....		5	
0900 Total new obligations .....	122	297	412
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....		4	
1050 Unobligated balance (total) .....		4	
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority .....	123	281	387
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	4	16	34
1825 Spending authority from offsetting collections applied to repay debt .....	-1	-4	-9
1850 Spending auth from offsetting collections, mand (total) .....	3	12	25
1900 Budget authority (total) .....	126	293	412
1930 Total budgetary resources available .....	126	297	412
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	4		
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....		7	17
3010 Obligations incurred, unexpired accounts .....	122	297	412
3020 Outlays (gross) .....	-115	-287	-405
3050 Unpaid obligations, end of year .....	7	17	24
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....		7	17
3200 Obligated balance, end of year .....	7	17	24
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	126	293	412
Financing disbursements:			
4110 Outlays, gross (total) .....	115	287	405
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources .....		-1	
4122 Interest on uninvested funds .....	-1	-1	-1
4123 Repayment of Principal .....	-1	-4	-9
4123 Non-Federal sources .....	-2	-10	-24
4130 Offsets against gross budget authority and outlays (total) ....	-4	-16	-34
4160 Budget authority, net (mandatory) .....	122	277	378
4170 Outlays, net (mandatory) .....	111	271	371
4180 Budget authority, net (total) .....	122	277	378
4190 Outlays, net (total) .....	111	271	371

## Status of Direct Loans (in millions of dollars)

Identification code 086-4105-0-3-371	2015 actual	2016 est.	2017 est.
Position with respect to appropriations act limitation on obligations:			
1111 Direct loan obligations from current-year authority .....	126	255	355
1142 Unobligated direct loan limitation (-) .....	-20	-5	-5
1150 Total direct loan obligations .....	106	250	350
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....		102	343
1231 Disbursements: Direct loan disbursements .....	103	245	347
1251 Repayments: Repayments and prepayments .....	-1	-4	-9
1290 Outstanding, end of year .....	102	343	681

## Balance Sheet (in millions of dollars)

Identification code 086-4105-0-3-371	2014 actual	2015 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....		11
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross .....		102
1402 Interest receivable .....		
1405 Allowance for subsidy cost (-) .....		34

1499 Net present value of assets related to direct loans .....		136
1999 Total assets .....		147
<b>LIABILITIES:</b>		
Federal liabilities:		
2103 Debt .....		123
2105 Other .....		24
2204 Non-Federal liabilities: Liabilities for loan guarantees .....		
2999 Total liabilities .....		147
<b>NET POSITION:</b>		
3300 Cumulative results of operations .....		
4999 Total liabilities and net position .....		147

## FHA-LOAN GUARANTEE RECOVERY FUND FINANCING ACCOUNT

## Program and Financing (in millions of dollars)

Identification code 086-4106-0-3-371	2015 actual	2016 est.	2017 est.
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	5	5	5
1930 Total budgetary resources available .....	5	5	5
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	5	5	5
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....			

## Status of Guaranteed Loans (in millions of dollars)

Identification code 086-4106-0-3-371	2015 actual	2016 est.	2017 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	7	7	6
2251 Repayments and prepayments .....		-1	-1
2290 Outstanding, end of year .....	7	6	5
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	7	3	3

Section 4 of the Church Arson Prevention Act of 1996 (Public Law 104-155), entitled "Loan Guarantee Recovery Fund," authorizes the Secretary of Housing and Urban Development to guarantee loans made by financial institutions to assist certain non-profit organizations that were damaged as a result of acts of arson or terrorism.

## Balance Sheet (in millions of dollars)

Identification code 086-4106-0-3-371	2014 actual	2015 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	5	4
1999 Total assets .....	5	4
<b>LIABILITIES:</b>		
2204 Non-Federal liabilities: Liabilities for loan guarantees .....	5	4
4999 Total liabilities and net position .....	5	4

## FHA-GENERAL AND SPECIAL RISK INSURANCE FUNDS LIQUIDATING ACCOUNT

## Program and Financing (in millions of dollars)

Identification code 086-4072-0-3-371	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0102 Assignment and Property Acquisition Claims .....	1	2	1
0110 Capitalized Expenses .....	5	5	5
0111 HUD Held Notes Escrow Activity .....	23	25	25
0113 Other .....	15	15	15
0900 Total new obligations .....	44	47	46
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	221	187	198

1021	Recoveries of prior year unpaid obligations .....	17	20	20
1022	Capital transfer of unobligated balances to general fund .....	-221	-187	-198
1050	Unobligated balance (total) .....	17	20	20
Budget authority:				
Appropriations, mandatory:				
1200	Appropriation .....	25	25	25
Spending authority from offsetting collections, mandatory:				
1800	Collected .....	189	200	200
1900	Budget authority (total) .....	214	225	225
1930	Total budgetary resources available .....	231	245	245
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	187	198	199

**Change in obligated balance:**

Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	268	267	265
3010	Obligations incurred, unexpired accounts .....	44	47	46
3020	Outlays (gross) .....	-28	-29	-29
3040	Recoveries of prior year unpaid obligations, unexpired .....	-17	-20	-20
3050	Unpaid obligations, end of year .....	267	265	262
Uncollected payments:				
3060	Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-1	-1	-1
3090	Uncollected pymts, Fed sources, end of year .....	-1	-1	-1
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	267	266	264
3200	Obligated balance, end of year .....	266	264	261

**Budget authority and outlays, net:**

Mandatory:				
4090	Budget authority, gross .....	214	225	225
Outlays, gross:				
4100	Outlays from new mandatory authority .....	21	20	20
4101	Outlays from mandatory balances .....	7	9	9
4110	Outlays, gross (total) .....	28	29	29
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4123	Non-Federal sources - Other .....	-189	-200	-200
4180	Budget authority, net (total) .....	25	25	25
4190	Outlays, net (total) .....	-161	-171	-171

**Status of Guaranteed Loans (in millions of dollars)**

Identification code 086-4072-0-3-371				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year .....	816	560	294
2251	Repayments and prepayments .....	-256	-264	-138
Adjustments:				
2261	Terminations for default that result in loans receivable .....		-2	
2262	Terminations for default that result in acquisition of property .....			
2290	Outstanding, end of year .....	560	294	156
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	560	294	156

**Addendum:**

Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year .....	2,095	1,965	1,918
2331	Disbursements for guaranteed loan claims .....		2	
2351	Repayments of loans receivable .....	-130	-49	-49
2390	Outstanding, end of year .....	1,965	1,918	1,869

**Balance Sheet (in millions of dollars)**

Identification code 086-4072-0-3-371				
ASSETS:				
Federal assets:				
1101	Fund balances with Treasury .....	488		454
Investments in US securities:				
1102	Treasury securities, par .....			
1206	Non-Federal assets: Receivables, net .....	2		
1701	Defaulted guaranteed loans, gross .....	2,095	1,965	
1702	Interest receivable .....	245	249	
1703	Allowance for estimated uncollectible loans and interest (-) .....	-866		-819
1704	Defaulted guaranteed loans and interest receivable, net .....	1,474	1,395	
1706	Foreclosed property .....	3		3
1799	Value of assets related to loan guarantees .....	1,477		1,398

1901	Other Federal assets: Other assets .....			1
1999	Total assets .....	1,967		1,853
LIABILITIES:				
Non-Federal liabilities:				
2201	Accounts payable .....	10		10
2204	Liabilities for loan guarantees .....	2		1
2207	Other .....	183		193
2999	Total liabilities .....	195		204
NET POSITION:				
3100	Unexpended appropriations .....	134		157
3300	Cumulative results of operations .....	1,638		1,492
3999	Total net position .....	1,772		1,649
4999	Total liabilities and net position .....	1,967		1,853

**Object Classification (in millions of dollars)**

Identification code 086-4072-0-3-371				
Direct obligations:				
32.0	Land and structures .....	5	5	5
33.0	Investments and loans .....	39	42	41
99.9	Total new obligations .....	44	47	46

**HOUSING FOR THE ELDERLY OR HANDICAPPED FUND LIQUIDATING ACCOUNT**

**Program and Financing (in millions of dollars)**

Identification code 086-4115-0-3-371				
Obligations by program activity:				
0102	Loan Management, Liquidations and Property Dispositions .....	3	6	6
0900	Total new obligations (object class 32.0) .....	3	6	6

**Budgetary resources:**

Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	165	123	
1021	Recoveries of prior year unpaid obligations .....	1		
1022	Capital transfer of unobligated balances to general fund .....	-165	-123	
1050	Unobligated balance (total) .....	1		
Budget authority:				
Spending authority from offsetting collections, mandatory:				
1800	Collected .....	504	485	468
1820	Capital transfer of spending authority from offsetting collections to general fund .....	-379	-479	-462
1850	Spending auth from offsetting collections, mand (total) .....	125	6	6
1930	Total budgetary resources available .....	126	6	6
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	123		

**Change in obligated balance:**

Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	7	6	3
3010	Obligations incurred, unexpired accounts .....	3	6	6
3020	Outlays (gross) .....	-3	-9	-9
3040	Recoveries of prior year unpaid obligations, unexpired .....	-1		
3050	Unpaid obligations, end of year .....	6	3	
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	7	6	3
3200	Obligated balance, end of year .....	6	3	

**Budget authority and outlays, net:**

Mandatory:				
4090	Budget authority, gross .....	125	6	6
Outlays, gross:				
4100	Outlays from new mandatory authority .....		6	6
4101	Outlays from mandatory balances .....	3	3	3
4110	Outlays, gross (total) .....	3	9	9
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4123	Non-Federal sources .....	-504	-485	-468
4180	Budget authority, net (total) .....	-379	-479	-462
4190	Outlays, net (total) .....	-501	-476	-459

HOUSING FOR THE ELDERLY OR HANDICAPPED FUND LIQUIDATING  
ACCOUNT—Continued

## Status of Direct Loans (in millions of dollars)

Identification code 086-4115-0-3-371	2015 actual	2016 est.	2017 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	1,777	1,412	1,051
1251 Repayments: Repayments and prepayments .....	-368	-361	-360
1264 Write-offs for default: Adjustments: Reclassify to Foreclosed Property Acquired .....	3		
1290 Outstanding, end of year .....	1,412	1,051	691

## Balance Sheet (in millions of dollars)

Identification code 086-4115-0-3-371	2014 actual	2015 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury .....	172	129
1206 Non-Federal assets: Interest Receivable: Public .....	20	16
1601 Direct loans, gross .....	1,777	1,412
1603 Allowance for estimated uncollectible loans and interest (-) .....	-10	-11
1699 Value of assets related to direct loans .....	1,767	1,401
1999 Total assets .....	1,959	1,546
LIABILITIES:		
2207 Non-Federal liabilities: Other .....	1	1
NET POSITION:		
3100 Unexpended Appropriations .....	5	3
3300 Revolving Fund: Cumulative results of operations .....	1,953	1,542
3999 Total net position .....	1,958	1,545
4999 Total liabilities and net position .....	1,959	1,546

## PAYMENT TO MANUFACTURED HOUSING FEES TRUST FUND

For necessary expenses as authorized by the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.), up to **[\$10,500,000] \$11,500,000**, to remain available until expended, of which **[\$10,500,000] \$11,500,000** is to be derived from the Manufactured Housing Fees Trust Fund: *Provided*, That not to exceed the total amount appropriated under this heading shall be available from the general fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund pursuant to section 620 of such Act: *Provided further*, That the amount made available under this heading from the general fund shall be reduced as such collections are received during fiscal year **[2016] 2017** so as to result in a final fiscal year **[2016] 2017** appropriation from the general fund estimated at zero, and fees pursuant to such section 620 shall be modified as necessary to ensure such a final fiscal year **[2016] 2017** appropriation: *Provided further*, That for the dispute resolution and installation programs, the Secretary of Housing and Urban Development may assess and collect fees from any program participant: *Provided further*, That such collections shall be deposited into the Fund, and the Secretary, as provided herein, may use such collections, as well as fees collected under section 620, for necessary expenses of such Act: *Provided further*, That, notwithstanding the requirements of section 620 of such Act, the Secretary may carry out responsibilities of the Secretary under such Act through the use of approved service providers that are paid directly by the recipients of their services. (*Department of Housing and Urban Development Appropriations Act, 2016*)

The 2017 Budget provides a total of \$11.5 million in estimated fees to support activities authorized by the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended, including the development and enforcement of manufactured housing construction standards, as well as the development and implementation of installation and dispute resolution programs required by the Manufactured Housing Improvement Act of 2000.

## Trust Funds

## MANUFACTURED HOUSING FEES TRUST FUND

## Special and Trust Fund Receipts (in millions of dollars)

Identification code 086-8119-0-7-376	2015 actual	2016 est.	2017 est.
0100 Balance, start of year .....		1	1
Receipts:			
Current law:			
1120 Mobile Home Inspection and Monitoring Fees, Manufactured Housing Fee Trust Fund .....	11	11	12
2000 Total: Balances and receipts .....	11	12	13
Appropriations:			
Current law:			
2101 Manufactured Housing Fees Trust Fund .....	-10	-11	-12
5099 Balance, end of year .....	1	1	1

## Program and Financing (in millions of dollars)

Identification code 086-8119-0-7-376	2015 actual	2016 est.	2017 est.
Obligations by program activity:			
0002 Manufactured Housing Program Costs .....	10	14	12
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	5	6	3
1021 Recoveries of prior year unpaid obligations .....	1		
1050 Unobligated balance (total) .....	6	6	3
Budget authority:			
Appropriations, discretionary:			
1101 Appropriation (special or trust fund) .....	10	11	12
1930 Total budgetary resources available .....	16	17	15
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	6	3	3
Change in obligated balance:			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	7	7	12
3010 Obligations incurred, unexpired accounts .....	10	14	12
3020 Outlays (gross) .....	-9	-9	-12
3040 Recoveries of prior year unpaid obligations, unexpired .....	-1		
3050 Unpaid obligations, end of year .....	7	12	12
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	7	7	12
3200 Obligated balance, end of year .....	7	12	12
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross .....	10	11	12
Outlays, gross:			
4010 Outlays from new discretionary authority .....		2	2
4011 Outlays from discretionary balances .....	9	7	10
4020 Outlays, gross (total) .....	9	9	12
4180 Budget authority, net (total) .....	10	11	12
4190 Outlays, net (total) .....	9	9	12

The National Manufactured Housing Construction and Safety Standards Act of 1974, as amended, authorizes the development and enforcement of appropriate standards for the construction, design, and performance of manufactured homes to assure their quality, durability, affordability, and safety. All manufactured homes produced since the standards took effect in 1976 must comply with Federal construction and safety standards. Thirty-seven States participate in the program under HUD-approved State compliance plans and are reimbursed by HUD for their activities. HUD administers a compliance program for the remaining states. HUD is considering options for improving operational efficiency and program support for the Office of Manufactured Housing, including potentially transferring the responsibilities of the program to other offices within HUD.

HUD administers the Manufactured Housing Consensus Committee to recommend revisions to and interpretations of the manufactured housing standards. HUD also develops and implements model standards for installation of manufactured housing, as well as an installation enforcement

program. Finally, HUD administers a dispute resolution program for manufactured housing homeowners and builders.

Fees are charged to the manufacturers for each transportable section produced to offset the expenses incurred by the Department in carrying out the responsibilities under the authorizing legislation. The Budget proposes to fund the costs of authorized activities with an estimated \$11.5 million in fees to ensure HUD is able to fund all of its statutory requirements. The Budget also proposes a general provision that would allow HUD to implement future fee changes via notice with comment.

**Object Classification** (in millions of dollars)

Identification code 086-8119-0-7-376	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
25.2 Other services from non-Federal sources .....	7	8	9
41.0 Grants, subsidies, and contributions .....	3	6	3
99.9 Total new obligations .....	10	14	12

**GREEN RETROFIT PROGRAM FOR MULTIFAMILY HOUSING FINANCING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 086-4589-0--604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
<b>Credit program obligations:</b>			
0742 Downward reestimate paid to receipt account .....		10	
0743 Interest on downward reestimates .....		3	
0900 Total new obligations .....		13	
<b>Budgetary resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	3	6	
1050 Unobligated balance (total) .....	3	6	
<b>Financing authority:</b>			
<b>Spending authority from offsetting collections, mandatory:</b>			
1800 Collected .....	8	7	6
1825 Spending authority from offsetting collections applied to repay debt .....	-5		
1850 Spending auth from offsetting collections, mand (total) .....	3	7	6
1900 Budget authority (total) .....	3	7	6
1930 Total budgetary resources available .....	6	13	6
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	6		6
<b>Change in obligated balance:</b>			
<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....			13
3010 Obligations incurred, unexpired accounts .....		13	
3050 Unpaid obligations, end of year .....		13	13
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....			13
3200 Obligated balance, end of year .....		13	13
<b>Financing authority and disbursements, net:</b>			
<b>Mandatory:</b>			
4090 Budget authority, gross .....	3	7	6
<b>Offsets against gross financing authority and disbursements:</b>			
<b>Offsetting collections (collected) from:</b>			
4123 Non-Federal sources .....	-8	-7	-6
4180 Budget authority, net (total) .....	-5		
4190 Outlays, net (total) .....	-8	-7	-6

**Status of Direct Loans** (in millions of dollars)

Identification code 086-4589-0--604	2015 actual	2016 est.	2017 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	70	63	57
1251 Repayments: Repayments and prepayments .....	-7	-6	-6
1290 Outstanding, end of year .....	63	57	51

**Balance Sheet** (in millions of dollars)

Identification code 086-4589-0--604	2014 actual	2015 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	5	5
<b>Net value of assets related to post-1991 direct loans receivable:</b>		
1401 Direct loans receivable, gross .....	65	63
1402 Interest receivable .....	1	1
1405 Allowance for subsidy cost (-) .....	-66	-64
1499 Net present value of assets related to direct loans .....		
1999 Total assets .....	5	5
<b>LIABILITIES:</b>		
2103 Federal liabilities: Debt .....	5	5
4999 Total liabilities and net position .....	5	5

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION**

The Government National Mortgage Association (GNMA) was established by Federal charter in 1968. It is a wholly owned government corporation within the U.S. Department of Housing and Urban Development (HUD). It was established to support Federal housing initiatives by providing liquidity to the secondary mortgage market and to attract capital from the global capital markets for the nation's mortgage markets. Its primary function is to guarantee the timely payment of principal and interest on Mortgage-Backed Securities (MBS) that are backed by loans insured or guaranteed by the Federal Housing Administration (FHA), the Department of Veterans Affairs (VA), Rural Development in the U.S. Department of Agriculture, and HUD's Office of Public and Indian Housing.

**Federal Funds**

**GUARANTEES OF MORTGAGE-BACKED SECURITIES CAPITAL RESERVE ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 086-0238-0-1-371	2015 actual	2016 est.	2017 est.
<b>Budgetary resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	8,797	12,773	15,350
1010 Unobligated balance transfer to other accts [086-0186] .....	-222	-205	-300
1050 Unobligated balance (total) .....	8,575	12,568	15,050
<b>Budget authority:</b>			
<b>Spending authority from offsetting collections, mandatory:</b>			
1800 Offsetting collections (negative subsidy) .....	1,221	958	1,243
1800 Offsetting collections (interest on investments) .....	1	28	210
1800 Offsetting collections (downward reestimate) .....	2,976	1,796	
1850 Spending auth from offsetting collections, mand (total) .....	4,198	2,782	1,453
1930 Total budgetary resources available .....	12,773	15,350	16,503
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	12,773	15,350	16,503
<b>Budget authority and outlays, net:</b>			
<b>Discretionary:</b>			
<b>Offsets against gross budget authority and outlays:</b>			
<b>Offsetting collections (collected) from:</b>			
4030 Federal sources .....	-1,221	-958	-1,243
4040 Offsets against gross budget authority and outlays (total) .....	-1,221	-958	-1,243
<b>Mandatory:</b>			
4090 Budget authority, gross .....	4,198	2,782	1,453
<b>Offsets against gross budget authority and outlays:</b>			
<b>Offsetting collections (collected) from:</b>			
4120 Federal sources .....	-2,976	-1,796	
4121 Interest on Federal securities .....	-1	-28	-210
4130 Offsets against gross budget authority and outlays (total) .....	-2,977	-1,824	-210
4160 Budget authority, net (mandatory) .....	1,221	958	1,243
4170 Outlays, net (mandatory) .....	-2,977	-1,824	-210
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	-4,198	-2,782	-1,453
<b>Memorandum (non-add) entries:</b>			
5000 Total investments, SOY: Federal securities: Par value .....		12,772	15,350

GUARANTEES OF MORTGAGE-BACKED SECURITIES CAPITAL RESERVE  
ACCOUNT—Continued  
Program and Financing—Continued

Identification code 086-0238-0-1-371	2015 actual	2016 est.	2017 est.
5001 Total investments, EOY: Federal securities: Par value .....	12,772	15,350	16,588

In 2013, a Capital Reserve account was established for the Government National Mortgage Association (GNMA). Financial reserves of GNMA were transferred from the Reserve Receipt and Liquidating accounts to the Capital Reserve account. This mandatory account earns interest on Treasury investments and is the eventual depository for all budgetary resources collected by GNMA including negative subsidy receipts from new security guarantees, downward re-estimates and loan repayments from the Financing Account. This account has no authority to obligate funds but transfers resources to the GNMA Program Account as necessary for mandatory spending authorized in that account.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM  
ACCOUNT

New commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed \$500,000,000,000, to remain available until September 30, [2017] 2018: *Provided*, That \$23,000,000 shall be available for necessary salaries and expenses of the Office of Government National Mortgage Association: *Provided further*, That to the extent that guaranteed loan commitments exceed \$155,000,000,000 on or before April 1, [2016] 2017, an additional \$100 for necessary salaries and expenses shall be available until expended for each \$1,000,000 in additional guaranteed loan commitments (including a pro rata amount for any amount below \$1,000,000), but in no case shall funds made available by this proviso exceed \$3,000,000: *Provided further*, That receipts from Commitment and Multiclass fees collected pursuant to title III of the National Housing Act, as amended, shall be credited as offsetting collections to this account. (*Department of Housing and Urban Development Appropriations Act, 2016.*)

Program and Financing (in millions of dollars)

Identification code 086-0186-0-1-371	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0709 Administrative expenses .....	188	273	332
0801 Servicing Expenses .....	45	58	50
0900 Total new obligations .....	233	331	382
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	100	137	134
1001 Discretionary unobligated balance brought fwd, Oct 1 .....	4	7	.....
1011 Unobligated balance transfer from other acct [086-0238] .....	222	205	300
1021 Recoveries of prior year unpaid obligations .....	.....	34	.....
1050 Unobligated balance (total) .....	322	376	434
Budget authority:			
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	140	118	101
1725 Spending authority from offsetting collections precluded from obligation (limitation on obligations) .....	-114	-95	-78
1750 Spending auth from offsetting collections, disc (total) .....	26	23	23
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	24	68	37
1900 Budget authority (total) .....	50	91	60
1930 Total budgetary resources available .....	372	467	494
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-2	-2	-3
1941 Unexpired unobligated balance, end of year .....	137	134	109

Change in obligated balance:

Identification code 086-0186-0-1-371	2015 actual	2016 est.	2017 est.
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	257	288	494
3010 Obligations incurred, unexpired accounts .....	233	331	382
3011 Obligations incurred, expired accounts .....	1	.....	.....

3020 Outlays (gross) .....	-202	-91	-62
3040 Recoveries of prior year unpaid obligations, unexpired .....	.....	-34	.....
3041 Recoveries of prior year unpaid obligations, expired .....	-1	.....	.....
3050 Unpaid obligations, end of year .....	288	494	814
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	257	288	494
3200 Obligated balance, end of year .....	288	494	814

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross .....	26	23	23
Outlays, gross:			
4010 Outlays from new discretionary authority .....	20	21	21
4011 Outlays from discretionary balances .....	2	2	4
4020 Outlays, gross (total) .....	22	23	25
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033 Non-Federal sources .....	-140	-118	-101
Mandatory:			
4090 Budget authority, gross .....	24	68	37
Outlays, gross:			
4100 Outlays from new mandatory authority .....	1	68	37
4101 Outlays from mandatory balances .....	179	.....	.....
4110 Outlays, gross (total) .....	180	68	37
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources .....	-24	-68	-37
4180 Budget authority, net (total) .....	-114	-95	-78
4190 Outlays, net (total) .....	38	-95	-76

Memorandum (non-add) entries:

5090 Unexpired unavailable balance, SOY: Offsetting collections .....	295	409	504
5092 Unexpired unavailable balance, EOY: Offsetting collections .....	409	504	582
5093 Expired unavailable balance, SOY: Offsetting collections .....	1	1	1
5095 Expired unavailable balance, EOY: Offsetting collections .....	1	1	1

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 086-0186-0-1-371	2015 actual	2016 est.	2017 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Guarantees of Mortgage-Backed Securities .....	435,939	330,200	336,000
215999 Total loan guarantee levels .....	435,939	330,200	336,000
Guaranteed loan subsidy (in percent):			
232001 Guarantees of Mortgage-Backed Securities .....	-28	-29	-37
232999 Weighted average subsidy rate .....	-28	-29	-37
Guaranteed loan subsidy budget authority:			
233001 Guarantees of Mortgage-Backed Securities .....	-1,221	-958	-1,243
233999 Total subsidy budget authority .....	-1,221	-958	-1,243
Guaranteed loan subsidy outlays:			
234001 Guarantees of Mortgage-Backed Securities .....	-1,221	-958	-1,243
234999 Total subsidy outlays .....	-1,221	-958	-1,243
Guaranteed loan reestimates:			
235001 Guarantees of Mortgage-Backed Securities .....	-2,976	-1,796	.....
235999 Total guaranteed loan reestimates .....	-2,976	-1,796	.....
Administrative expense data:			
3510 Budget authority .....	22	25	23
3590 Outlays from new authority .....	20	23	23

The Budget requests loan commitment authority of \$500 billion in 2017. The Budget also requests \$23 million for the personnel costs of the Government National Mortgage Association (GNMA), to be offset by Commitment and Multiclass fees. Before 2012, personnel expenses were funded in the "Office of Government National Mortgage Association" appropriation under the Management and Administration section of the HUD budget. This funding level will enable GMNA to keep pace with growing demands and respond to the complexities of the current market, including a growing number of security issuers and the entry of new types of issuer firms, such as non-depository institutions.

Object Classification (in millions of dollars)

Identification code 086-0186-0-1-371	2015 actual	2016 est.	2017 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent .....	18	21	24

12.1	Civilian personnel benefits .....	2	2	2
21.0	Travel and transportation of persons .....	1	1	1
25.2	Other services from non-Federal sources .....	167	249	304
25.3	Other goods and services from Federal sources .....			1
99.0	Direct obligations .....	188	273	332
99.0	Reimbursable obligations .....	45	58	50
99.9	Total new obligations .....	233	331	382

**Employment Summary**

Identification code 086-0186-0-1-371	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	125	147	165

**GUARANTEES OF MORTGAGE-BACKED SECURITIES FINANCING ACCOUNT**

**Program and Financing (in millions of dollars)**

Identification code 086-4240-0-3-371	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0003 Advances and other .....	1,158	425	588
0004 Preservation of collateral .....	182	169	442
0091 Subtotal - Advances and Operating Expenses .....	1,340	594	1,030
Credit program obligations:			
0740 Negative subsidy obligations .....	1,221	958	1,243
0742 Downward reestimate paid to receipt account .....	2,873	1,738	
0743 Interest on downward reestimates .....	103	58	
0791 Direct program activities, subtotal .....	4,197	2,754	1,243
0900 Total new obligations .....	5,537	3,348	2,273

**Budgetary resources:**

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	3,751	1,031	682
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	2,819	2,999	1,676
1801 Change in uncollected payments, Federal sources .....	-2		
1850 Spending auth from offsetting collections, mand (total) .....	2,817	2,999	1,676
1930 Total budgetary resources available .....	6,568	4,030	2,358
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	1,031	682	85

**Change in obligated balance:**

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	265	270	270
3010 Obligations incurred, unexpired accounts .....	5,537	3,348	2,273
3020 Outlays (gross) .....	-5,532	-3,348	-1,941
3050 Unpaid obligations, end of year .....	270	270	602
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-2		
3070 Change in uncollected pymts, Fed sources, unexpired .....	2		
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	263	270	270
3200 Obligated balance, end of year .....	270	270	602

**Financing authority and disbursements, net:**

Mandatory:			
4090 Budget authority, gross .....	2,817	2,999	1,676
Financing disbursements:			
4110 Outlays, gross (total) .....	5,532	3,348	1,941
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources .....	-7		
4122 Interest on uninvested funds .....	-127	-118	-125
4123 Guarantee Fees .....	-978	-858	-821
4123 Repayment of advances .....	-1,707	-2,023	-730
4130 Offsets against gross budget authority and outlays (total) ...	-2,819	-2,999	-1,676
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired .....	2		
4170 Outlays, net (mandatory) .....	2,713	349	265
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	2,713	349	265

**Status of Guaranteed Loans (in millions of dollars)**

Identification code 086-4240-0-3-371	2015 actual	2016 est.	2017 est.
Position with respect to appropriations act limitation on commitments:			
2111 Guaranteed loan commitments from current-year authority .....	500,000	500,000	500,000
2121 Limitation available from carry-forward .....	500,000	494,414	500,000
2142 Uncommitted loan guarantee limitation .....	-69,647	-164,214	-164,000
2143 Uncommitted limitation carried forward .....	-494,414	-500,000	-500,000
2150 Total guaranteed loan commitments .....	435,939	330,200	336,000
2199 Guaranteed amount of guaranteed loan commitments .....	435,939	330,200	336,000
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	1,526,470	1,608,790	1,667,531
2231 Disbursements of new guaranteed loans .....	432,445	330,200	336,000
2251 Repayments and prepayments .....	-350,125	-271,459	-283,714
2290 Outstanding, end of year .....	1,608,790	1,667,531	1,719,817
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	1,608,790	1,667,531	1,719,817

**Balance Sheet (in millions of dollars)**

Identification code 086-4240-0-3-371	2014 actual	2015 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	4,015	1,031
1206 Non-Federal assets: Receivables, net .....	6,952	442
1401 Net value of assets related to post-1991 direct loans receivable:		
Direct loans receivable, gross .....	5,501	6,115
1505 Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable: Allowance for subsidy cost (-) .....	-574	-789
1999 Total assets .....	15,894	6,799
<b>LIABILITIES:</b>		
Non-Federal liabilities:		
2201 Accounts payable .....	78	89
2207 Other .....	6,700	
2999 Total liabilities .....	6,778	89
<b>NET POSITION:</b>		
3300 Cumulative results of operations .....	9,116	6,710
4999 Total liabilities and net position .....	15,894	6,799

**GUARANTEES OF MORTGAGE-BACKED SECURITIES LIQUIDATING ACCOUNT**

**Program and Financing (in millions of dollars)**

Identification code 086-4238-0-3-371	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0002 Operating expenses .....			
0002 Operating expenses .....	1	1	1
0900 Total new obligations (object class 43.0) .....	1	1	1
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	127	127	127
1050 Unobligated balance (total) .....	127	127	127
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	1	1	1
1930 Total budgetary resources available .....	128	128	128
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	127	127	127
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	23	23	23
3010 Obligations incurred, unexpired accounts .....	1	1	1
3020 Outlays (gross) .....	-1	-1	-2
3050 Unpaid obligations, end of year .....	23	23	22
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	23	23	23
3200 Obligated balance, end of year .....	23	23	22

GUARANTEES OF MORTGAGE-BACKED SECURITIES LIQUIDATING ACCOUNT—Continued  
**Program and Financing—Continued**

Identification code 086-4238-0-3-371	2015 actual	2016 est.	2017 est.
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	1	1	1
Outlays, gross:			
4101 Outlays from mandatory balances .....	1	1	2
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources .....	-1	-1	-1
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....			1
<b>Memorandum (non-add) entries:</b>			
5000 Total investments, SOY: Federal securities: Par value .....	151	151	150
5001 Total investments, EOY: Federal securities: Par value .....	151	150	148

**Balance Sheet** (in millions of dollars)

Identification code 086-4238-0-3-371	2014 actual	2015 actual
<b>ASSETS:</b>		
Federal assets:		
Investments in US securities:		
1102 Treasury securities, par .....	151	151
1106 Receivables, net .....		
1601 Direct loans, gross .....		
1603 Allowance for estimated uncollectible loans and interest (-) .....		
1699 Value of assets related to direct loans .....		
1901 Other Federal assets: Other assets .....	25	
1999 Total assets .....	176	151
<b>LIABILITIES:</b>		
Non-Federal liabilities:		
2201 Accounts payable .....		
2207 Other .....	23	23
2999 Total liabilities .....	23	23
<b>NET POSITION:</b>		
3300 Cumulative results of operations .....	153	128
4999 Total liabilities and net position .....	176	151

**POLICY DEVELOPMENT AND RESEARCH**

*Federal Funds*

**RESEARCH AND TECHNOLOGY**

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1 et seq.), including carrying out the functions of the Secretary of Housing and Urban Development under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, [and for technical assistance, \$85,000,000] \$65,000,000, to remain available until September 30, [2017] 2018: *Provided*, That with respect to amounts made available under this heading, notwithstanding section 204 of this title, the Secretary may enter into cooperative agreements funded with philanthropic entities, other Federal agencies, or State or local governments and their agencies for research projects: *Provided further*, That with respect to the previous proviso, such partners to the cooperative agreements must contribute at least a 50 percent match toward the cost of the project: *Provided further*, [That for non-competitive agreements entered into in accordance with the previous two provisos, the Secretary of Housing and Urban Development shall comply with section 2(b) of the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282, 31 U.S.C. note) in lieu of compliance with section 102(a)(4)(C) with respect to documentation of award decisions: *Provided further*, That prior to obligation of technical assistance funding, the Secretary shall submit a plan, for approval, to the House and Senate Committees on Appropriations on how it will allocate funding for this activity] *That of the amounts made available in this Act under the following headings under this title, the Secretary may transfer to and merge with this account up to \$120,000,000, and such transferred amounts shall be available until September 30, 2019, for (1) research and evaluation; (2) program demonstrations; and (3) technical assistance and capacity building, including forms of assistance described under sections 4(b)(1) and 4(b)(2) of the HUD Demonstration Act of 1993, as amended: "Choice Neighborhoods Initiative",*

*"Community Development Fund", "Fair Housing Activities", "Family Self-Sufficiency", "HOME Investment Partnerships Program", "Homeless Assistance Grants", "Housing Counseling Assistance", "Housing for Persons with Disabilities", "Housing for the Elderly", "Housing Opportunities for Persons with AIDS", "Lead Hazard Reduction", "Mutual Mortgage Insurance Program Account", "Native American Housing Block Grants", "Native Hawaiian Housing Block Grant", "Project-Based Rental Assistance", "Public Housing Capital Fund", "Public Housing Operating Fund", "Rental Assistance Demonstration", and "Tenant-Based Rental Assistance": *Provided, That any such amounts, or portion thereof, transferred to this account from any account, may be transferred back to and merged with the original account and be available for the same purpose and same time period as provided under this Act. (Department of Housing and Urban Development Appropriations Act, 2016.)**

**Program and Financing** (in millions of dollars)

Identification code 086-0108-0-1-451	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Contracts, Grants and Cooperative Agreements .....	45	58	65
0002 Research and Demonstrations .....		10	33
0003 Technical Assistance .....		47	52
0004 Capacity Building .....			35
0900 Total new obligations .....	45	115	185
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	3	30	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	72	85	65
1121 Appropriations transferred from other acct [086-0349] .....			1
1121 Appropriations transferred from other acct [086-0162] .....			14
1121 Appropriations transferred from other acct [086-0205] .....			5
1121 Appropriations transferred from other acct [086-0237] .....			1
1121 Appropriations transferred from other acct [086-0320] .....			3
1121 Appropriations transferred from other acct [086-0308] .....			2
1121 Appropriations transferred from other acct [086-0174] .....			1
1121 Appropriations transferred from other acct [086-0183] .....			1
1121 Appropriations transferred from other acct [086-0313] .....			4
1121 Appropriations transferred from other acct [086-0303] .....			28
1121 Appropriations transferred from other acct [086-0304] .....			9
1121 Appropriations transferred from other acct [086-0163] .....			23
1121 Appropriations transferred from other acct [086-0302] .....			28
1160 Appropriation, discretionary (total) .....	72	85	185
1930 Total budgetary resources available .....	75	115	185
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	30		

**Change in obligated balance:**

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	17	25	73
3010 Obligations incurred, unexpired accounts .....	45	115	185
3020 Outlays (gross) .....	-36	-67	-107
3041 Recoveries of prior year unpaid obligations, expired .....	-1		
3050 Unpaid obligations, end of year .....	25	73	151
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	17	25	73
3200 Obligated balance, end of year .....	25	73	151

**Budget authority and outlays, net:**

Discretionary:			
4000 Budget authority, gross .....	72	85	185
Outlays, gross:			
4010 Outlays from new discretionary authority .....	25	44	72
4011 Outlays from discretionary balances .....	11	23	35
4020 Outlays, gross (total) .....	36	67	107
4180 Budget authority, net (total) .....	72	85	185
4190 Outlays, net (total) .....	36	67	107

The Housing and Urban Development Act of 1970 directs the Secretary to undertake programs of research, studies, testing, and demonstrations related to HUD's mission. These functions are carried out by HUD's Office of Policy Development and Research (PD&R) through in-house analysis by staff; contracts with industry, nonprofit research organizations, and educational institutions; and cooperative agreements with educational, governmental, and philanthropic entities.

The 2017 Budget requests \$185 million for HUD's Research and Technology (R&T) program through a combination of direct appropriations and



program transfer authority. The request consists of \$65 million in direct appropriations for core research support, surveys, data infrastructure, and knowledge management (i.e., research dissemination), and authority to transfer up to \$120 million from various HUD program accounts to the R&T account for research, evaluations, and demonstrations (\$33 million); technical assistance (\$52 million); and capacity building (\$35 million).

The Budget includes direct funding to restore and enhance various national housing surveys that are rich sources of data on the nation's housing stock, including the American Housing Survey, the Survey of New Home Sales and Completions, the Survey of Market Absorption of Multifamily Units, the Survey of New Manufactured Housing Placements, and the Rental Housing Finance Survey. Also included in the request is funding for knowledge management activities, for the Urban Data Systems, for housing finance studies, for Research Partnerships, and for a new category of core research support, which includes: 1) the long-term commitment to evaluate Moving-to-Work policy initiatives and expansion, and 2) research on new innovation that facilitates behavior changes among builders, property owners and tenants that results in lower consumption of carbon based energy.

Program transfers to R&T reflect HUD's enterprise-wide commitment to integrate evidence and cross-disciplinary intelligence throughout program policy, management, and operations. The transfer authority provides a devoted source of funds for three complementary purposes: 1) research, evaluations, and demonstrations; 2) technical assistance; and 3) capacity building.

The research, program evaluations, and demonstrations supported through program transfers to R&T complement the data infrastructure activities of the R&T direct appropriation. PD&R's intent is to fund priority research guided by HUD's Research Roadmap, and to complete and leverage previously initiated research efforts before beginning new projects.

Technical assistance supported by program transfer funding has allowed HUD to support its partners with better coordinated, cross-program TA rather than the conventional, program-oriented technical assistance. Because HUD's mission for affordable housing and community development is carried out in a complex community environment, the more comprehensive approach is valuable for helping grantees, PHAs, and other partners implement programs in an informed, aligned, and holistic way.

The proposed program transfers will also support activities previously funded through the Self-Help and Assisted Homeownership Opportunity Program (SHOP) account to enhance the capacity and ability of community development corporations (CDCs) and community housing development organizations (CHDOs) to carry out community development and affordable housing activities that benefit low-income persons.

The following table illustrates the estimated transfers from HUD's programs into the R&T account in fiscal year 2017.

Program Name (amounts in thousands)	2017	
	Treasury Account	Estimated Transfer
Choice Neighborhoods Initiative .....	86-0349	1,000
Community Development Fund .....	86-0162	14,400
Fair Housing Activities .....	86-0144	350
Family Self-Sufficiency .....	86-0350	375
HOME Investment Partnerships Program .....	86-0205	4,750
Housing Counseling Assistance .....	86-0156	235
Housing for Persons with Disabilities (Section 811) .....	86-0237	770
Housing for the Elderly (Section 202) .....	86-0320	2,525
Housing Opportunities for Persons with AIDS .....	86-0308	1,675
Lead Hazard Reduction .....	86-0174	550
Mortgage Mutual Insurance Program Account .....	86-0183	800
Native American Housing Block Grants .....	86-0313	3,500
Project-Based Rental Assistance .....	86-0303	28,325
Public Housing Capital Fund .....	86-0304	9,325
Public Housing Operating Fund .....	86-0163	22,844
Rental Assistance Demonstration .....	86-0406	250
Tenant-Based Rental Assistance .....	86-0302	28,325
<b>TRANSFER TOTAL</b>		<b>120,000<sup>1</sup></b>

<sup>1</sup> Amount represents estimated R&T transfers based on the 2017 Budget priorities, program requirements, and application of the \$28.3 million cap per account.

**Object Classification** (in millions of dollars)

Identification code 086-0108-0-1-451	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
25.2 Other services from non-Federal sources .....	9		
25.3 Other goods and services from Federal sources .....	34	67	146
41.0 Grants, subsidies, and contributions .....	2	48	39
<b>99.9 Total new obligations .....</b>	<b>45</b>	<b>115</b>	<b>185</b>

**FAIR HOUSING AND EQUAL OPPORTUNITY**

*Federal Funds*

**FAIR HOUSING ACTIVITIES**

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and section 561 of the Housing and Community Development Act of 1987, as amended, **[\$65,300,000]** \$70,000,000, to remain available until September 30, **[2017]** 2018: *Provided*, That notwithstanding 31 U.S.C. 3302, the Secretary may assess and collect fees to cover the costs of the Fair Housing Training Academy, and may use such funds to provide such training: *Provided further*, That no funds made available under this heading shall be used to lobby the executive or legislative branches of the Federal Government in connection with a specific contract, grant, or loan: *Provided further*, That of the funds made available under this heading, \$300,000 shall be available to the Secretary of Housing and Urban Development for the creation and promotion of translated materials and other programs that support the assistance of persons with limited English proficiency in utilizing the services provided by the Department of Housing and Urban Development. (*Department of Housing and Urban Development Appropriations Act, 2016.*)

**Program and Financing** (in millions of dollars)

Identification code 086-0144-0-1-751	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Fair Housing Assistance .....	26	23	22
0002 Fair Housing Initiatives .....	13	65	46
0005 National Fair Housing Training Academy .....	2	3	3
<b>0900 Total new obligations (object class 41.0) .....</b>	<b>41</b>	<b>91</b>	<b>71</b>
<b>Budgetary resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	12	37	12
<b>Budget authority:</b>			
<b>Appropriations, discretionary:</b>			
1100 Appropriation .....	65	65	70
<b>Spending authority from offsetting collections, discretionary:</b>			
1700 Collected .....	1	1	1
1900 Budget authority (total) .....	66	66	71
1930 Total budgetary resources available .....	78	103	83
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	37	12	12
<b>Change in obligated balance:</b>			
<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	95	70	94
3010 Obligations incurred, unexpired accounts .....	41	91	71
3020 Outlays (gross) .....	-66	-67	-68
3050 Unpaid obligations, end of year .....	70	94	97
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	95	70	94
3200 Obligated balance, end of year .....	70	94	97
<b>Budget authority and outlays, net:</b>			
<b>Discretionary:</b>			
4000 Budget authority, gross .....	66	66	71
<b>Outlays, gross:</b>			
4010 Outlays from new discretionary authority .....	1	4	5
4011 Outlays from discretionary balances .....	65	63	63
4020 Outlays, gross (total) .....	66	67	68
<b>Offsets against gross budget authority and outlays:</b>			
<b>Offsetting collections (collected) from:</b>			
4033 Non-Federal sources .....	-1	-1	-1
4180 Budget authority, net (total) .....	65	65	70
4190 Outlays, net (total) .....	65	66	67

FAIR HOUSING ACTIVITIES—Continued

The Budget requests \$70 million for fair housing activities to support efforts to end housing discrimination. Of the amount requested, \$21.9 million is for the Fair Housing Assistance Program (FHAP), \$46 million is for the Fair Housing Initiatives Program (FHIP), \$1.8 million is for the National Fair Housing Training Academy, and \$300 thousand is for the Limited English Proficiency Initiative (LEPI).

FHAP, authorized by Title VIII of the Civil Rights Act of 1968, as amended, provides funding to State and local agencies to assure prompt and effective processing of complaints under substantially equivalent State and local fair housing laws. To be eligible for assistance through FHAP, an agency must demonstrate that the fair housing law it administers is substantially equivalent to the Fair Housing Act. It is estimated that there will be a total of 89 FHAP jurisdictions in 2017. The funding requested for FHAP will support fair housing enforcement by funding State and local fair housing organizations to meet the needs of currently underserved populations. It will also address the national and ongoing problem of discrimination against minority homebuyers and renters, as identified in the 2012 Housing Discrimination Against Racial and Ethnic Minorities Study.

FHIP, authorized by the Housing and Community Development Act of 1987, as amended by the Housing and Community Development Act of 1992, provides funding to States and local governments, and to public and private non-profit organizations that administer programs to prevent or eliminate discriminatory housing practices through enforcement, education, and outreach.

The National Fair Housing Training Academy (NFTHA) provides comprehensive fair housing and civil rights training for investigators, local agencies, educators, attorneys, industry representatives and other housing industry professionals.

LEPI provides funds for oral interpretation and written translation services, which help make fair housing programs and activities accessible to people who are not proficient in English.

**OFFICE OF LEAD HAZARD CONTROL AND HEALTHY HOMES**

*Federal Funds*

LEAD HAZARD REDUCTION

For the Lead Hazard Reduction Program, as authorized by section 1011 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, \$110,000,000, to remain available until September 30, [2017] 2018, of which [\$20,000,000] up to \$25,000,000 shall be for the Healthy Homes Initiative, pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970 that shall include research, studies, testing, and demonstration efforts, including education and outreach concerning lead-based paint poisoning and other housing-related diseases and hazards: *Provided*, That for purposes of environmental review, pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and other provisions of the law that further the purposes of such Act, a grant under the Healthy Homes Initiative, or the Lead Technical Studies program under this heading or under prior appropriations Acts for such purposes under this heading, shall be considered to be funds for a special project for purposes of section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994: [*Provided further*, That of the total amount made available under this heading, \$45,000,000 shall be made available on a competitive basis for areas with the highest lead paint abatement needs: *Provided further*, That each recipient of funds provided under the previous proviso shall contribute an amount not less than 25 percent of the total: *Provided further*, That each applicant shall certify adequate capacity that is acceptable to the Secretary to carry out the proposed use of funds pursuant to a notice of funding availability:] *Provided further*, That amounts made available under this heading in this or prior appropriations Acts, and that still remain available, may be used for any purpose under this heading notwithstanding the purpose for which such amounts were appropriated if a program competition is undersubscribed and there are other program competitions under this heading that are oversubscribed. (*Department of Housing and Urban Development Appropriations Act, 2016.*)

**Program and Financing** (in millions of dollars)

Identification code 086-0174-0-1-451	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Lead Hazard Reduction Grants .....	48	44	83
0002 Lead Hazard Reduction Demonstration .....	45	45	.....
0003 Healthy Homes .....	14	13	25
0004 Lead Technical Studies .....	1	2	2
0900 Total new obligations (object class 41.0) .....	108	104	110
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	2	3	9
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	110	110	110
1120 Appropriations transferred to other accts [086-0108] .....	.....	.....	-1
1160 Appropriation, discretionary (total) .....	110	110	109
1930 Total budgetary resources available .....	112	113	118
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-1	.....	.....
1941 Unexpired unobligated balance, end of year .....	3	9	8
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	337	311	295
3010 Obligations incurred, unexpired accounts .....	108	104	110
3020 Outlays (gross) .....	-112	-120	-84
3041 Recoveries of prior year unpaid obligations, expired .....	-22	.....	.....
3050 Unpaid obligations, end of year .....	311	295	321
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	337	311	295
3200 Obligated balance, end of year .....	311	295	321
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	110	110	109
Outlays, gross:			
4010 Outlays from new discretionary authority .....	1	1	1
4011 Outlays from discretionary balances .....	111	119	83
4020 Outlays, gross (total) .....	112	120	84
4180 Budget authority, net (total) .....	110	110	109
4190 Outlays, net (total) .....	112	120	84

Title X of the Housing and Community Development Act of 1992 (Public Law 102-550), known as the Residential Lead-Based Paint Hazard Reduction Act, authorized the Secretary to establish the Lead-Based Paint Hazard Control Grant Program. The primary purpose of the program is to reduce the exposure of young children to lead-based paint and other environmental hazards in their homes, including protecting them from permanent developmental problems and asthma, and exposure to pesticides and carbon monoxide.

The program plays a critical role in addressing the number one environmental disease impacting children: lead poisoning. The Budget request of \$110 million includes \$83 million for HUD's Lead Hazard Control Program, \$25 million for the Healthy Homes Program, and \$2 million for technical studies. The Budget includes an appropriations provision that would allow the transfer of unobligated balances and recaptured funds from undersubscribed competitive programs to other competitive programs experiencing oversubscription. The Budget also includes two general provisions: the first would grant the Secretary authority to carry out investigations, administer oaths, and subpoena documents related to violations of the Lead Disclosure provision of Title X; the second would increase the threshold for requiring lead abatement to reflect inflation, providing grantees more flexibility in how they address lead-based paint in a residence. In addition, following the Budget, HUD will submit a legislative package with updates to program standards and definitions.

The Lead Hazard Control Grant Program provides grants of \$1 million to \$3 million to State and local governments and Indian tribes for control of lead-based paint hazards in private low-income rental and owner-occupied housing. The grants are also designed to facilitate the development of a housing maintenance and rehabilitation workforce trained in lead-safe

work practices and a certified hazard evaluation and control industry. In awarding grants, HUD promotes the use of new, low-cost approaches to hazard control that can be replicated across the nation.

The Healthy Homes Program enables the Department to assess and control housing-related hazards that contribute to childhood diseases and injuries. With funding from this program, grantees implement and evaluate methods for controlling two or more housing-related diseases through a single intervention.

The Office of Lead Hazard Control and Healthy Homes will continue its Technical Support program, which includes public education; support for State and local agencies, private property owners, HUD programs and field offices and professional organizations; technical studies to improve program policy and implementation; quality control to ensure that the evaluation and control of lead-based paint hazards is done properly in HUD-assisted housing; and development of standards, technical guidance, regulations and improved testing and hazard control methods.

offices of the Secretary; Deputy Secretary; Congressional and Intergovernmental Relations; Public Affairs; Adjudicatory Services; the Center for Faith-Based and Neighborhood Partnerships; and the Office of Small and Disadvantaged Utilization.

**Object Classification** (in millions of dollars)

Identification code 086-0332-0-1-604	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
11.1 Personnel compensation: Full-time permanent .....	10	10	10
12.1 Civilian personnel benefits .....	3	3	3
25.2 Other services from non-Federal sources .....	1	1	1
99.9 Total new obligations .....	14	14	14

**Employment Summary**

Identification code 086-0332-0-1-604	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	81	82	85

**MANAGEMENT AND ADMINISTRATION**

*Federal Funds*

**EXECUTIVE OFFICES**

For necessary salaries and expenses for Executive Offices, which shall be comprised of the offices of the Secretary, Deputy Secretary, Adjudicatory Services, Congressional and Intergovernmental Relations, Public Affairs, Small and Disadvantaged Business Utilization, and the Center for Faith-Based and Neighborhood Partnerships, **[\$13,800,000] \$14,479,000: Provided,** That not to exceed \$25,000 of the amount made available under this heading shall be available to the Secretary for official reception and representation expenses as the Secretary may determine. *(Department of Housing and Urban Development Appropriations Act, 2016.)*

**Program and Financing** (in millions of dollars)

Identification code 086-0332-0-1-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Personnel costs .....	10	10	10
0002 Benefits .....	3	3	3
0003 Non-Personnel costs .....	1	1	1
0900 Total new obligations .....	14	14	14
<b>Budgetary resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	15	14	14
1930 Total budgetary resources available .....	15	14	14
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-1		
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	1	1	
3010 Obligations incurred, unexpired accounts .....	14	14	14
3011 Obligations incurred, expired accounts .....	1		
3020 Outlays (gross) .....	-14	-15	-14
3041 Recoveries of prior year unpaid obligations, expired .....	-1		
3050 Unpaid obligations, end of year .....	1		
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	1	1	
3200 Obligated balance, end of year .....	1		
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	15	14	14
Outlays, gross:			
4010 Outlays from new discretionary authority .....	13	14	14
4011 Outlays from discretionary balances .....	1	1	
4020 Outlays, gross (total) .....	14	15	14
4180 Budget authority, net (total) .....	15	14	14
4190 Outlays, net (total) .....	14	15	14

The Executive Offices account supports the total salaries and expenses of the Department's executive management offices, including the immediate

**ADMINISTRATIVE SUPPORT OFFICES**

For necessary salaries and expenses for Administrative Support Offices, **[\$559,100,000] \$520,062,000**, of which **[\$79,000,000] \$53,451,000** shall be available for the Office of the Chief Financial Officer; **[\$94,500,000] \$95,201,000** shall be available for the Office of the General Counsel; **[\$207,600,000] \$202,823,000** shall be available for the Office of Administration; **[\$56,300,000] \$41,641,000** shall be available for the Office of the Chief Human Capital Officer; **[\$51,500,000] \$52,630,000** shall be available for the Office of Field Policy and Management; **[\$17,200,000] \$19,130,000** shall be available for the Office of the Chief Procurement Officer; **[\$3,300,000] \$3,891,000** shall be available for the Office of Departmental Equal Employment Opportunity; **[\$4,500,000] \$5,147,000** shall be available for the Office of Strategic Planning and Management; and **[\$45,200,000] \$46,148,000** shall be available for the Office of the Chief Information Officer; *Provided,* That funds provided under this heading may be used for necessary administrative and non-administrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including purchase of uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901-5902; hire of passenger motor vehicles; and services as authorized by 5 U.S.C. 3109; *Provided further,* That notwithstanding any other provision of law, funds appropriated under this heading may be used for advertising and promotional activities that directly support program activities funded in this title; *Provided further,* That the Secretary shall provide the House and Senate Committees on Appropriations quarterly written notification regarding the status of pending congressional reports; *Provided further,* That the Secretary shall provide in electronic form all signed reports required by Congress]. *(Department of Housing and Urban Development Appropriations Act, 2016.)*

**Program and Financing** (in millions of dollars)

Identification code 086-0335-0-1-999	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Personnel compensation [& benefits] .....	217	216	222
0002 Non-personnel costs .....	229	222	220
0003 Benefits .....	76	77	78
0900 Total new obligations .....	522	515	520
<b>Budgetary resources:</b>			
Unobligated balance:			
1012 Unobligated balance transfers between expired and unexpired accounts .....	3		
1050 Unobligated balance (total) .....	3		
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	518	559	520
1120 Appropriations transferred to other acct [086-4598] .....		-44	
1121 Appropriations transferred from other acct [086-0337] .....	2		
1121 Appropriations transferred from other acct [086-0338] .....	1		
1121 Appropriations transferred from other acct [086-0334] .....	1		
1160 Appropriation, discretionary (total) .....	522	515	520
1900 Budget authority (total) .....	522	515	520
1930 Total budgetary resources available .....	525	515	520

ADMINISTRATIVE SUPPORT OFFICES—Continued  
**Program and Financing—Continued**

Identification code 086-0335-0-1-999	2015 actual	2016 est.	2017 est.
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-3		
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	100	102	94
3010 Obligations incurred, unexpired accounts .....	522	515	520
3011 Obligations incurred, expired accounts .....	19		
3020 Outlays (gross) .....	-512	-523	-536
3041 Recoveries of prior year unpaid obligations, expired .....	-27		
3050 Unpaid obligations, end of year .....	102	94	78
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	100	102	94
3200 Obligated balance, end of year .....	102	94	78
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	522	515	520
Outlays, gross:			
4010 Outlays from new discretionary authority .....	454	438	442
4011 Outlays from discretionary balances .....	58	85	94
4020 Outlays, gross (total) .....	512	523	536
4180 Budget authority, net (total) .....	522	515	520
4190 Outlays, net (total) .....	512	523	536

The Administrative Support Offices (ASO) account funds central Departmental functions, including the offices of the Chief Human Capital Officer, Chief Financial Officer, Chief Procurement Officer, General Counsel, Field Policy and Management, Strategic Planning and Management, Departmental Equal Employment Opportunity, Chief Information Officer, and Administration. The ASO account supports all personnel and non-personnel expenses for these offices.

**Object Classification** (in millions of dollars)

Identification code 086-0335-0-1-999	2015 actual	2016 est.	2017 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	210	208	213
11.3 Other than full-time permanent .....	1	1	1
11.5 Other personnel compensation .....	6	7	8
11.9 Total personnel compensation .....	217	216	222
12.1 Civilian personnel benefits .....	76	77	78
21.0 Travel and transportation of persons .....	4	5	4
23.1 Rental payments to GSA .....	105	110	110
23.3 Communications, utilities, and miscellaneous charges .....	19	20	20
24.0 Printing and reproduction .....	1	1	
25.1 Advisory and assistance services .....	80	77	70
25.3 Other goods and services from Federal sources .....			8
25.4 Operation and maintenance of facilities .....	10	4	4
26.0 Supplies and materials .....	2	2	2
31.0 Equipment .....	7	3	2
42.0 Insurance claims and indemnities .....	1		
99.9 Total new obligations .....	522	515	520

**Employment Summary**

Identification code 086-0335-0-1-999	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	1,932	1,914	1,918

**PUBLIC AND INDIAN HOUSING**

For necessary salaries and expenses of the Office of Public and Indian Housing, **[\$205,500,000]** \$220,932,000. (Department of Housing and Urban Development Appropriations Act, 2016.)

**Program and Financing** (in millions of dollars)

Identification code 086-0337-0-1-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Personnel costs .....	142	151	150
0002 Benefits .....	42	44	46
0004 Non-personnel expenses .....	11	11	25
0900 Total new obligations .....	195	206	221
<b>Budgetary resources:</b>			
Unobligated balance:			
1012 Unobligated balance transfers between expired and unexpired accounts .....	1		
1050 Unobligated balance (total) .....	1		
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	203	206	221
1120 Appropriations transferred to other accts (086-0335) .....	-2		
1120 Appropriations transferred to other accts (086-4586) .....	-3		
1120 Appropriations transferred to other acct (086-0339) .....	-1		
1160 Appropriation, discretionary (total) .....	197	206	221
1930 Total budgetary resources available .....	198	206	221
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-3		

<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	13	14	4
3010 Obligations incurred, unexpired accounts .....	195	206	221
3011 Obligations incurred, expired accounts .....	5		
3020 Outlays (gross) .....	-193	-216	-222
3041 Recoveries of prior year unpaid obligations, expired .....	-6		
3050 Unpaid obligations, end of year .....	14	4	3
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	13	14	4
3200 Obligated balance, end of year .....	14	4	3

<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	197	206	221
Outlays, gross:			
4010 Outlays from new discretionary authority .....	183	204	218
4011 Outlays from discretionary balances .....	10	12	4
4020 Outlays, gross (total) .....	193	216	222
4180 Budget authority, net (total) .....	197	206	221
4190 Outlays, net (total) .....	193	216	222

This account provides funding for all salaries and expenses of the Office of Public and Indian Housing, including the Office of the Assistant Secretary. The Office's mission is to ensure safe, decent, and affordable housing for low-income families; create opportunities for residents' self-sufficiency and economic independence; reduce improper payments; and support mixed-income developments to replace distressed public housing.

**Object Classification** (in millions of dollars)

Identification code 086-0337-0-1-604	2015 actual	2016 est.	2017 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	139	145	145
11.5 Other personnel compensation .....	3	6	5
11.9 Total personnel compensation .....	142	151	150
12.1 Civilian personnel benefits .....	42	44	46
21.0 Travel and transportation of persons .....	3	3	3
25.2 Other services from non-Federal sources .....	8	8	5
25.3 Other goods and services from Federal sources .....			17
99.9 Total new obligations .....	195	206	221

**Employment Summary**

Identification code 086-0337-0-1-604	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	1,350	1,396	1,390

**COMMUNITY PLANNING AND DEVELOPMENT**

For necessary salaries and expenses of the Office of Community Planning and Development, **[\$104,800,000]** \$110,259,000. (Department of Housing and Urban Development Appropriations Act, 2016.)

**Program and Financing** (in millions of dollars)

Identification code 086-0338-0-1-451	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Personnel costs .....	77	79	81
0002 Benefits .....	22	22	22
0006 Non-personnel expenses .....	2	4	7
0007 Disaster supplemental - PS .....	1	2	2
0900 Total new obligations .....	102	107	112

**Budgetary resources:**

<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	8	6	5
<b>Budget authority:</b>			
<b>Appropriations, discretionary:</b>			
1100 Appropriation .....	102	105	110
1120 Appropriations transferred to other accts [086-0335] .....	-1		
1121 Appropriations transferred from other acct [086-0162] .....		1	2
1121 Appropriations transferred from other acct [086-0143] .....			3
1160 Appropriation, discretionary (total) .....	101	106	115
1930 Total budgetary resources available .....	109	112	120
<b>Memorandum (non-add) entries:</b>			
1940 Unobligated balance expiring .....	-1		
1941 Unexpired unobligated balance, end of year .....	6	5	8

**Change in obligated balance:**

<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	5	5	5
3010 Obligations incurred, unexpired accounts .....	102	107	112
3011 Obligations incurred, expired accounts .....	3		
3020 Outlays (gross) .....	-102	-107	-112
3041 Recoveries of prior year unpaid obligations, expired .....	-3		
3050 Unpaid obligations, end of year .....	5	5	5
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	5	5	5
3200 Obligated balance, end of year .....	5	5	5

**Budget authority and outlays, net:**

<b>Discretionary:</b>			
4000 Budget authority, gross .....	101	106	115
<b>Outlays, gross:</b>			
4010 Outlays from new discretionary authority .....	97	104	109
4011 Outlays from discretionary balances .....	5	3	3
4020 Outlays, gross (total) .....	102	107	112
4180 Budget authority, net (total) .....	101	106	115
4190 Outlays, net (total) .....	102	107	112

This account provides funding for all salaries and expenses of the Office of Community Planning and Development, including the Office of the Assistant Secretary. The Office provides funding to a broad array of state and local governments and non-profit and for-profit organizations to administer a wide range of housing, economic development, and homeless assistance, as well as integrated planning for housing, transportation and infrastructure, disaster recovery, and other community development activities in urban and rural areas across the country.

The Budget also proposes to consolidate administrative funds that are associated with specific Community Development Block Grant-Disaster Recovery (CDBG-DR) supplemental appropriations to support the Department's oversight of the full and growing CDBG-DR portfolio.

**Object Classification** (in millions of dollars)

Identification code 086-0338-0-1-451	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	78	81	82
11.5 Other personnel compensation .....			1
11.9 Total personnel compensation .....	78	81	83
12.1 Civilian personnel benefits .....	22	22	22
21.0 Travel and transportation of persons .....	1	1	1
25.2 Other services from non-Federal sources .....	1	3	1
25.3 Other goods and services from Federal sources .....			5
99.9 Total new obligations .....	102	107	112

**Employment Summary**

Identification code 086-0338-0-1-451	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	747	748	748

**HOUSING**

For necessary salaries and expenses of the Office of Housing, **[\$375,000,000]** \$393,148,000. (Department of Housing and Urban Development Appropriations Act, 2016.)

**Program and Financing** (in millions of dollars)

Identification code 086-0334-0-1-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Personnel costs .....	280	278	284
0002 Benefits .....	83	82	82
0003 Non-Personnel Services .....	10	15	27
0900 Total new obligations .....	373	375	393

**Budgetary resources:**

<b>Unobligated balance:</b>			
1012 Unobligated balance transfers between expired and unexpired accounts .....	1		
1050 Unobligated balance (total) .....	1		
<b>Budget authority:</b>			
<b>Appropriations, discretionary:</b>			
1100 Appropriation .....	379	375	393
1120 Appropriations transferred to other accts [086-0335] .....	-1		
1160 Appropriation, discretionary (total) .....	378	375	393
1930 Total budgetary resources available .....	379	375	393
<b>Memorandum (non-add) entries:</b>			
1940 Unobligated balance expiring .....	-6		

**Change in obligated balance:**

<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	21	24	5
3010 Obligations incurred, unexpired accounts .....	373	375	393
3011 Obligations incurred, expired accounts .....	14		
3020 Outlays (gross) .....	-370	-394	-392
3041 Recoveries of prior year unpaid obligations, expired .....	-14		
3050 Unpaid obligations, end of year .....	24	5	6
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	21	24	5
3200 Obligated balance, end of year .....	24	5	6

**Budget authority and outlays, net:**

<b>Discretionary:</b>			
4000 Budget authority, gross .....	378	375	393
<b>Outlays, gross:</b>			
4010 Outlays from new discretionary authority .....	353	370	388
4011 Outlays from discretionary balances .....	17	24	4
4020 Outlays, gross (total) .....	370	394	392
4180 Budget authority, net (total) .....	378	375	393
4190 Outlays, net (total) .....	370	394	392

This account provides funding for all salaries and expenses of the Office of Housing, including the Office of the Federal Housing Commissioner. The mission of the Office is to maintain and expand homeownership,

**HOUSING—Continued**

rental housing and healthcare opportunities; stabilize credit markets in times of economic disruption; and contribute to building and preserving healthy neighborhoods and communities.

**Object Classification** (in millions of dollars)

Identification code 086-0334-0-1-604	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	274	273	279
11.5 Other personnel compensation .....	6	5	5
11.9 Total personnel compensation .....	280	278	284
12.1 Civilian personnel benefits .....	83	82	82
21.0 Travel and transportation of persons .....	4	5	4
22.0 Transportation of things .....	1		
25.2 Other services from non-Federal sources .....	5	10	9
25.3 Other goods and services from Federal sources .....			14
99.9 Total new obligations .....	373	375	393

**Employment Summary**

Identification code 086-0334-0-1-604	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	2,744	2,708	2,717

**POLICY DEVELOPMENT AND RESEARCH**

For necessary salaries and expenses of the Office of Policy Development and Research, **[\$23,100,000] \$24,500,000.** (*Department of Housing and Urban Development Appropriations Act, 2016.*)

**Program and Financing** (in millions of dollars)

Identification code 086-0339-0-1-451	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Personnel costs .....	16	17	18
0002 Benefits .....	5	5	5
0003 Non-personnel expenses .....	2	1	2
0900 Total new obligations .....	23	23	25
<b>Budgetary resources:</b>			
<b>Budget authority:</b>			
<b>Appropriations, discretionary:</b>			
1100 Appropriation .....	23	23	25
1121 Appropriations transferred from other acct [086-0337] .....	1		
1160 Appropriation, discretionary (total) .....	24	23	25
1930 Total budgetary resources available .....	24	23	25
<b>Memorandum (non-add) entries:</b>			
1940 Unobligated balance expiring .....	-1		
<b>Change in obligated balance:</b>			
<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	1	2	1
3010 Obligations incurred, unexpired accounts .....	23	23	25
3011 Obligations incurred, expired accounts .....	1		
3020 Outlays (gross) .....	-22	-24	-25
3041 Recoveries of prior year unpaid obligations, expired .....	-1		
3050 Unpaid obligations, end of year .....	2	1	1
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	1	2	1
3200 Obligated balance, end of year .....	2	1	1
<b>Budget authority and outlays, net:</b>			
<b>Discretionary:</b>			
4000 Budget authority, gross .....	24	23	25
<b>Outlays, gross:</b>			
4010 Outlays from new discretionary authority .....	21	23	25
4011 Outlays from discretionary balances .....	1	1	
4020 Outlays, gross (total) .....	22	24	25
4180 Budget authority, net (total) .....	24	23	25
4190 Outlays, net (total) .....	22	24	25

This account provides funding for all salaries and expenses of the Office of Policy Development and Research, including the Office of the Assistant Secretary. The Office is responsible for conducting research on priority housing and community development issues and maintaining current information on housing needs, market conditions, and program evaluations. The Office also provides objective data, technical and statistical sampling support, and analysis to help inform policy decisions.

**Object Classification** (in millions of dollars)

Identification code 086-0339-0-1-451	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Personnel compensation: Full-time permanent .....	16	17	18
12.1 Civilian personnel benefits .....	5	5	5
25.2 Other services from non-Federal sources .....	2	1	1
25.3 Other goods and services from Federal sources .....			1
99.9 Total new obligations .....	23	23	25

**Employment Summary**

Identification code 086-0339-0-1-451	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	147	149	155

**FAIR HOUSING AND EQUAL OPPORTUNITY**

For necessary salaries and expenses of the Office of Fair Housing and Equal Opportunity, **[\$72,000,000] \$74,235,000.** (*Department of Housing and Urban Development Appropriations Act, 2016.*)

**Program and Financing** (in millions of dollars)

Identification code 086-0340-0-1-751	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Personnel costs .....	49	53	54
0002 Benefits .....	15	16	16
0003 Non-personnel expenses .....	2	3	4
0900 Total new obligations .....	66	72	74
<b>Budgetary resources:</b>			
<b>Budget authority:</b>			
<b>Appropriations, discretionary:</b>			
1100 Appropriation .....	68	72	74
1930 Total budgetary resources available .....	68	72	74
<b>Memorandum (non-add) entries:</b>			
1940 Unobligated balance expiring .....	-2		
<b>Change in obligated balance:</b>			
<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	3	4	1
3010 Obligations incurred, unexpired accounts .....	66	72	74
3011 Obligations incurred, expired accounts .....	2		
3020 Outlays (gross) .....	-65	-75	-74
3041 Recoveries of prior year unpaid obligations, expired .....	-2		
3050 Unpaid obligations, end of year .....	4	1	1
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	3	4	1
3200 Obligated balance, end of year .....	4	1	1
<b>Budget authority and outlays, net:</b>			
<b>Discretionary:</b>			
4000 Budget authority, gross .....	68	72	74
<b>Outlays, gross:</b>			
4010 Outlays from new discretionary authority .....	63	71	73
4011 Outlays from discretionary balances .....	2	4	1
4020 Outlays, gross (total) .....	65	75	74
4180 Budget authority, net (total) .....	68	72	74
4190 Outlays, net (total) .....	65	75	74

This account provides funding for all salaries and expenses of the Office of Fair Housing and Equal Opportunity, including the Office of the Assistant Secretary. The Office administers and enforces the Fair Housing Act and

other civil rights laws and establishes policies to ensure all Americans have equal access to the housing of their choice.

**Object Classification** (in millions of dollars)

Identification code 086-0340-0-1-751	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	48	51	52
11.5 Other personnel compensation .....	1	2	2
11.9 Total personnel compensation .....	49	53	54
12.1 Civilian personnel benefits .....	15	16	16
21.0 Travel and transportation of persons .....	1	1	1
25.2 Other services from non-Federal sources .....	1	2	1
25.3 Other goods and services from Federal sources .....			2
99.9 Total new obligations .....	66	72	74

**Employment Summary**

Identification code 086-0340-0-1-751	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	490	514	518

**OFFICE OF LEAD HAZARD CONTROL AND HEALTHY HOMES**

For necessary salaries and expenses of the Office of Lead Hazard Control and Healthy Homes, **[\$7,000,000]** \$7,826,000. (Department of Housing and Urban Development Appropriations Act, 2016.)

**Program and Financing** (in millions of dollars)

Identification code 086-0341-0-1-451	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Personnel costs .....	5	5	5
0002 Benefits .....	2	2	3
0900 Total new obligations .....	7	7	8
<b>Budgetary resources:</b>			
<b>Budget authority:</b>			
Appropriations, discretionary:			
1100 Appropriation .....	7	7	8
1930 Total budgetary resources available .....	7	7	8
<b>Change in obligated balance:</b>			
<b>Unpaid obligations:</b>			
3010 Obligations incurred, unexpired accounts .....	7	7	8
3020 Outlays (gross) .....	-7	-7	-8
<b>Budget authority and outlays, net:</b>			
<b>Discretionary:</b>			
4000 Budget authority, gross .....	7	7	8
<b>Outlays, gross:</b>			
4010 Outlays from new discretionary authority .....	7	7	8
4180 Budget authority, net (total) .....	7	7	8
4190 Outlays, net (total) .....	7	7	8

This account provides funding for all salaries and expenses of the Office of Lead Hazard Control and Healthy Homes. The Office seeks to eliminate lead-based paint hazards in America's privately-owned and low-income housing and to lead the nation in addressing other housing-related health hazards that threaten vulnerable low-income residents.

**Object Classification** (in millions of dollars)

Identification code 086-0341-0-1-451	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
11.1 Personnel compensation: Full-time permanent .....	5	5	5
12.1 Civilian personnel benefits .....	2	2	3
99.9 Total new obligations .....	7	7	8

**Employment Summary**

Identification code 086-0341-0-1-451	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	47	46	49

**SALARIES AND EXPENSES**

**Program and Financing** (in millions of dollars)

Identification code 086-0143-0-1-999	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0801 Gulf Coast Disaster related activities .....	3	1	
0900 Total new obligations (object class 25.2) .....	3	1	
<b>Budgetary resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	7	4	3
<b>Budget authority:</b>			
Appropriations, discretionary:			
1120 Appropriations transferred to other acct [086-0338] .....			-3
1900 Budget authority (total) .....			-3
1930 Total budgetary resources available .....	7	4	
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	4	3	
<b>Change in obligated balance:</b>			
<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....			1
3010 Obligations incurred, unexpired accounts .....	3	1	
3020 Outlays (gross) .....	-3		
3050 Unpaid obligations, end of year .....		1	1
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....			1
3200 Obligated balance, end of year .....		1	1
<b>Budget authority and outlays, net:</b>			
<b>Discretionary:</b>			
4000 Budget authority, gross .....			-3
<b>Outlays, gross:</b>			
4011 Outlays from discretionary balances .....	3		
4180 Budget authority, net (total) .....			-3
4190 Outlays, net (total) .....	3		

Beginning with the passage of the Consolidated Appropriations Act, 2008, this account no longer receives annual appropriations for Departmental administrative expenses. Instead, salary and expense funds are distributed across multiple accounts, achieving greater transparency and accountability within the Department. Resources in this account reflect prior-year disaster supplemental appropriations.

The Budget also proposes to consolidate administrative funds that are associated with specific Community Development Block Grant-Disaster Recovery (CDBG-DR) supplemental appropriations to support the Department's oversight of the full and growing CDBG-DR portfolio.

**OFFICE OF INSPECTOR GENERAL**

For necessary salaries and expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, **[\$126,000,000]** \$129,000,000: *Provided*, That the Inspector General shall have independent authority over all personnel and acquisition issues within this office. (Department of Housing and Urban Development Appropriations Act, 2016.)

**Program and Financing** (in millions of dollars)

Identification code 086-0189-0-1-451	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 OIG Salaries and Benefits .....	94	98	99
0002 OIG Non-Personnel Costs .....	32	28	30
0004 Hurricane Sandy and Other Disaster related activities .....	2		
0900 Total new obligations .....	128	126	129

OFFICE OF INSPECTOR GENERAL—Continued  
Program and Financing—Continued

Identification code 086-0189-0-1-451	2015 actual	2016 est.	2017 est.
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	8	6	6
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	126	126	129
1930 Total budgetary resources available .....	134	132	135
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	6	6	6
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	16	18	23
3010 Obligations incurred, unexpired accounts .....	128	126	129
3011 Obligations incurred, expired accounts .....	4		
3020 Outlays (gross) .....	-125	-117	-134
3041 Recoveries of prior year unpaid obligations, expired .....	-5	-4	-2
3050 Unpaid obligations, end of year .....	18	23	16
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	16	18	23
3200 Obligated balance, end of year .....	18	23	16
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	126	126	129
Outlays, gross:			
4010 Outlays from new discretionary authority .....	109	105	107
4011 Outlays from discretionary balances .....	16	12	27
4020 Outlays, gross (total) .....	125	117	134
4180 Budget authority, net (total) .....	126	126	129
4190 Outlays, net (total) .....	125	117	134

The Office of the Inspector General (OIG) provides independent and objective reviews of the integrity, efficiency and effectiveness of Departmental programs and operations. Through various activities, the OIG seeks to promote efficiency and effectiveness in programs and operations, detect and deter fraud and abuse, investigate allegations of misconduct by HUD employees, and review and make recommendations regarding existing and proposed legislation and regulations affecting HUD. The Budget includes \$129 million to support agency-wide audit and investigative functions.

Object Classification (in millions of dollars)

Identification code 086-0189-0-1-451	2015 actual	2016 est.	2017 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	66	68	69
11.5 Other personnel compensation .....	6	6	6
11.9 Total personnel compensation .....	72	74	75
12.1 Civilian personnel benefits .....	24	24	24
21.0 Travel and transportation of persons .....	4	4	5
23.1 Rental payments to GSA .....	9	8	8
25.2 Other services from non-Federal sources .....	18	15	16
31.0 Equipment .....	1	1	1
99.9 Total new obligations .....	128	126	129

Employment Summary

Identification code 086-0189-0-1-451	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	599	643	655

INFORMATION TECHNOLOGY FUND

For the development of, modifications to, and infrastructure for Department-wide and program-specific information technology systems, for the continuing operation and maintenance of both Department-wide and program-specific information systems, and for program-related maintenance activities, **[\$250,000,000] \$286,000,000, of which \$239,000,000 shall remain available until September 30, [2017] 2018, and**

of which \$47,000,000 shall remain available until September 30, 2019: Provided, That any amounts transferred to this Fund under this Act shall remain available until expended: *Provided further*, That any amounts transferred to this Fund from amounts appropriated by previously enacted appropriations Acts may be used for the purposes specified under this Fund, in addition to any other information technology purposes for which such amounts were appropriated. (Department of Housing and Urban Development Appropriations Act, 2016.)

Program and Financing (in millions of dollars)

Identification code 086-4586-0-4-451	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Information Technology Expenses .....	302	343	295
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	145	99	10
1021 Recoveries of prior year unpaid obligations .....	3	4	4
1050 Unobligated balance (total) .....	148	103	14
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	250	250	286
1121 Appropriations transferred from other acct [086-0337] .....	3		
1160 Appropriation, discretionary (total) .....	253	250	286
1900 Budget authority (total) .....	253	250	286
1930 Total budgetary resources available .....	401	353	300
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	99	10	5
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	185	205	262
3010 Obligations incurred, unexpired accounts .....	302	343	295
3011 Obligations incurred, expired accounts .....	5		
3020 Outlays (gross) .....	-276	-282	-292
3040 Recoveries of prior year unpaid obligations, unexpired .....	-3	-4	-4
3041 Recoveries of prior year unpaid obligations, expired .....	-8		
3050 Unpaid obligations, end of year .....	205	262	261
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	185	205	262
3200 Obligated balance, end of year .....	205	262	261
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	253	250	286
Outlays, gross:			
4010 Outlays from new discretionary authority .....	52	70	80
4011 Outlays from discretionary balances .....	224	212	212
4020 Outlays, gross (total) .....	276	282	292
4180 Budget authority, net (total) .....	253	250	286
4190 Outlays, net (total) .....	276	282	292

The Information Technology Fund funds the information technology (IT) systems that support Departmental programs and operations, including FHA Mortgage Insurance, housing assistance, grant and disaster relief programs and general operations. The Budget provides \$286 million for the development, modernization, enhancement, operation and maintenance of HUD's IT infrastructure and systems, including \$239 million with a two-year period of availability and \$47 million with a three-year period of availability.

The Budget fully supports current operations and funds limited upgrades that will focus on efficiency and security. System operating platforms with the greatest vulnerabilities will be upgraded or replaced, and the cybersecurity framework will be enhanced. The Budget also emphasizes enterprise investments that will improve customer focus and decision making while replacing redundant and outdated systems.

Object Classification (in millions of dollars)

Identification code 086-4586-0-4-451	2015 actual	2016 est.	2017 est.
Direct obligations:			
23.3 Communications, utilities, and miscellaneous charges .....	95	107	90
25.3 Other goods and services from Federal sources .....	3	3	3
25.7 Operation and maintenance of equipment .....	202	230	200



31.0	Equipment .....	2	3	2
99.9	Total new obligations .....	302	343	295

**WORKING CAPITAL FUND**  
(INCLUDING TRANSFER OF FUNDS)

There is hereby established in the United States Treasury, pursuant to section 7(f) of the Department of Housing and Urban Development Act (42 U.S.C. 3535(f)), a working capital fund for the Department of Housing and Urban Development (referred to in this paragraph as the "Fund"): *Provided, That*, pursuant, in part, to section 7(f) of the Department of Housing and Urban Development Act (42 U.S.C. 3535(f)), amounts transferred to the Fund under this heading shall be available for Federal shared services used by offices and agencies of the Department, and for such portion of any office or agency's printing, records management, space renovation, furniture, or supply services as the Secretary determines shall be derived from centralized sources made available by the Department to all offices and agencies and funded through the Fund: *Provided further*, That of the amounts made available in this title for salaries and expenses under the headings "Executive Offices", "Administrative Support Offices", "Program Office Salaries and Expenses", and "Government National Mortgage Association", the Secretary shall transfer to the Fund such amounts, to remain available until expended, as are necessary to fund services, specified in the first proviso, for which the appropriation would otherwise have been available, and may transfer not to exceed an additional \$10,000,000, in aggregate, from all such appropriations, to be merged with the Fund and to remain available until expended for use for any office or agency: *Provided further*, That amounts in the Fund shall be the only amounts available to each office or agency of the Department for the services, or portion of services, specified in the first proviso: *Provided further*, That with respect to the Fund, the authorities and conditions under this heading shall *supplant* *supplement* the authorities and conditions provided under such section 7(f) of the Department of Housing and Urban Development Act. (Department of Housing and Urban Development Appropriations Act, 2016.)

**Program and Financing** (in millions of dollars)

Identification code 086-4598-0-4-604	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Financial Management, Procurement, Travel, and Relocation .....		27	
0002 Human Resources Services and Systems .....		17	
0100 Direct program activities, subtotal .....		44	
0799 Total direct obligations .....		44	
0801 Financial Management, Procurement, Travel, and Relocation .....			28
0802 Human Resources Services and Systems .....			19
0803 Federal Register Printing .....			1
0899 Total reimbursable obligations .....			48
0900 Total new obligations .....		44	48
<b>Budgetary resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1121 Appropriations transferred from other acct [086-0335] .....		27	
1121 Appropriations transferred from other acct [086-0335] .....		17	
1160 Appropriation, discretionary (total) .....		44	
Spending authority from offsetting collections, discretionary:			
1700 Collected .....			48
1900 Budget authority (total) .....		44	48
1930 Total budgetary resources available .....		44	48
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....		44	48
3020 Outlays (gross) .....		-44	-48
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....		44	48
Outlays, gross:			
4010 Outlays from new discretionary authority .....		44	48
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources .....			-48
4180 Budget authority, net (total) .....		44	
4190 Outlays, net (total) .....		44	

The Department of Housing and Urban Development's Working Capital Fund (WCF) was established by the Consolidated Appropriations Act, 2016. The purpose of the WCF is to promote economy, efficiency, and accountability. Amounts transferred to the Fund are for Federal shared services used by offices and agencies of the Department, and are derived from centralized Salaries and Expenses accounts starting in 2016. The WCF is revolving in nature and provides the following shared services: financial management, procurement, travel, relocation, human resources, and, in 2017, Federal Register printing. Starting in 2017, services will be provided to the Department's customers on a fee-for-service basis. Financial management, procurement, travel, and relocation costs for services provided to the Office of the Inspector General are covered by the Office of the Chief Financial Officer.

**Object Classification** (in millions of dollars)

Identification code 086-4598-0-4-604	2015 actual	2016 est.	2017 est.
25.3 Direct obligations: Other goods and services from Federal sources .....		44	
25.3 Reimbursable obligations: Other goods and services from Federal sources .....			48
99.0 Reimbursable obligations .....			48
99.9 Total new obligations .....		44	48

**TRANSFORMATION INITIATIVE**

**Program and Financing** (in millions of dollars)

Identification code 086-0402-0-1-451	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 TI Research and Demonstrations .....	13	5	
0002 TI Technical Assistance and Capacity Building .....	3		
0900 Total new obligations (object class 25.2) .....	16	5	
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	21	6	1
1021 Recoveries of prior year unpaid obligations .....	1		
1050 Unobligated balance (total) .....	22	6	1
1930 Total budgetary resources available .....	22	6	1
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	6	1	1
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	168	112	63
3010 Obligations incurred, unexpired accounts .....	16	5	
3011 Obligations incurred, expired accounts .....	4		
3020 Outlays (gross) .....	-69	-54	-32
3040 Recoveries of prior year unpaid obligations, unexpired .....	-1		
3041 Recoveries of prior year unpaid obligations, expired .....	-6		
3050 Unpaid obligations, end of year .....	112	63	31
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	168	112	63
3200 Obligated balance, end of year .....	112	63	31
<b>Budget authority and outlays, net:</b>			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances .....	69	54	32
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	69	54	32

The Transformation Initiative (TI) was initiated in 2010 to increase the effectiveness of HUD's program and service delivery, improve program outcomes, and enable innovative approaches to address the Nation's housing and urban development problems. A central concept of TI was to make the Department's investments increasingly coordinated, efficient, and effective through focused investments in three complementary purposes: 1) research and evaluation, 2) program demonstrations, and 3) technical assistance and

TRANSFORMATION INITIATIVE—Continued

capacity building for HUD's customers and partners. The Budget does not request funding or transfer authority for the Transformation Initiative. Instead, the Budget requests the authority to transfer a portion of program funds to the Office of Policy Development and Research's Research and Technology account to support continued investments in these important activities.

**GENERAL FUND RECEIPT ACCOUNTS**

(in millions of dollars)

	2015 actual	2016 est.	2017 est.
Offsetting receipts from the public:			
086-279930 Native Hawaiian Housing Loan Guarantees, Downward Reestimates of Subsidies .....	1		
086-143500 General Fund Proprietary Interest Receipts, not Otherwise Classified .....		1	
086-274330 Indian Housing Loan Guarantees, Downward Reestimates of Subsidies .....	21	1	
086-276230 Title VI Indian Loan Guarantee Downward Reestimate ....		5	
086-267810 Green Retrofit Program for Multifamily Housing, Downward Reestimates of Subsidies .....		13	
086-277330 Community Development Loan Guarantees, Downward Reestimates .....		60	
086-271930 FHA-general and Special Risk, Downward Reestimates of Subsidies .....	2,276	1,468	
086-322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts .....	3	12	12
086-271910 FHA-general and Special Risk, Negative Subsidies .....	521	532	464
General Fund Offsetting receipts from the public .....	2,822	2,092	476
Intragovernmental payments:			
086-388510 Undistributed Intragovernmental Payments .....	11	7	7
General Fund Intragovernmental payments .....	11	7	7

**GENERAL PROVISIONS—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

(INCLUDING TRANSFER OF FUNDS)

[(INCLUDING RESCISSIONS)]

SEC. 201. Section 1012(b) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 1437f note) is amended to read as follows:

"Fifty percent of the amounts of budget authority, or in lieu thereof 50 percent of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 1437f note) shall be [rescinded] cancelled or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not [rescinded] cancelled or remitted to the Treasury shall be used by State housing finance agencies or local governments or local housing agencies with projects approved by the Secretary of Housing and Urban Development for which settlement occurred after January 1, 1992, in accordance with such section. Notwithstanding the previous sentence, the Secretary may award up to 15 percent of the budget authority or cash recaptured and not [rescinded] cancelled or remitted to the Treasury to provide project owners with incentives to refinance their project at a lower interest rate."

SEC. 202. None of the amounts made available under this Act may be used during fiscal year [2016] 2017 to investigate or prosecute under the Fair Housing Act any otherwise lawful activity engaged in by one or more persons, including the filing or maintaining of a nonfrivolous legal action, that is engaged in solely for the purpose of achieving or preventing action by a Government official or entity, or a court of competent jurisdiction.

SEC. 203. Sections 203 (except subsection (d)) and 209 of division C of Public Law 112-55 (125 Stat. 693-694) shall apply during fiscal year [2016] 2017 as if such sections were included in this title, except that during such fiscal year such sections shall be applied by substituting ["fiscal year 2016"] "fiscal year 2017" for "fiscal year 2011" and for "fiscal year 2012" each place such terms appear, which shall be adjusted, through a notice published by the Secretary, to reflect the number of persons living with human immunodeficiency virus (HIV), the housing cost factor, and the community need factor in Section 854(c) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12903(c)) in lieu of the number of cases of acquired immunodeficiency syndrome (AIDS), and shall be amended to reflect revised

delineations of statistical areas established by the Office of Management and Budget pursuant to 44 U.S.C. 3504(e)(3), 31 U.S.C. 1104(d), and Executive Order No. 10253.

SEC. 204. Except as explicitly provided in law, any grant, cooperative agreement or other assistance made pursuant to title II of this Act shall be made on a competitive basis and in accordance with section 102 of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545).

SEC. 205. Section 7 of the Department of Housing and Urban Development Act (42 U.S.C. 3535) is amended by adding at the end the following new subsection:

"(u)(1) Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Federal Reserve banks or any member thereof, Federal Home Loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811-1).

"(2) Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of such Act as may be necessary in carrying out the programs set forth in the budget for such corporation or agency except as hereinafter provided: Provided, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government."

[SEC. 206. Unless otherwise provided for in this Act or through a reprogramming of funds, no part of any appropriation for the Department of Housing and Urban Development shall be available for any program, project or activity in excess of amounts set forth in the budget estimates submitted to Congress.]

[SEC. 207. Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of such Act as may be necessary in carrying out the programs set forth in the budget for 2016 for such corporation or agency except as hereinafter provided: Provided, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.]

[SEC. 208. The Secretary of Housing and Urban Development shall provide quarterly reports to the House and Senate Committees on Appropriations regarding all uncommitted, unobligated, recaptured and excess funds in each program and activity within the jurisdiction of the Department and shall submit additional, updated budget information to these Committees upon request.]

[SEC. 209. The President's formal budget request for fiscal year 2017, as well as the Department of Housing and Urban Development's congressional budget justifications to be submitted to the Committees on Appropriations of the House of Representatives and the Senate, shall use the identical account and sub-account structure provided under this Act.]

SEC. [210] 206. A public housing agency or such other entity that administers Federal housing assistance for the Housing Authority of the county of Los Angeles, California, and the States of Alaska, Iowa, and Mississippi shall not be required to include a resident of public housing or a recipient of assistance provided under section 8 of the United States Housing Act of 1937 on the board of directors or a similar governing board of such agency or entity as required under section (2)(b) of such Act. Each public housing agency or other entity that administers Federal housing assistance under section 8 for the Housing Authority of the county of Los Angeles, California and the States of Alaska, Iowa and Mississippi that chooses not to include a resident of public housing or a recipient of section 8 assistance on the board of directors or a similar governing board shall establish an advisory board of not less than six residents of public housing or recipients of section 8 assistance to

provide advice and comment to the public housing agency or other administering entity on issues related to public housing and section 8. Such advisory board shall meet not less than quarterly.

**SEC. 211.** No funds provided under this title may be used for an audit of the Government National Mortgage Association that makes applicable requirements under the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

**SEC. [212]207.** (a) Notwithstanding any other provision of law, subject to the conditions listed under this section, for fiscal years [2016] 2017 and [2017] 2018, the Secretary of Housing and Urban Development may authorize the transfer of some or all project-based assistance, debt held or insured by the Secretary and statutorily required low-income and very low-income use restrictions if any, associated with one or more multifamily housing project or projects to another multifamily housing project or projects.

(b) **PHASED TRANSFERS.**—Transfers of project-based assistance under this section may be done in phases to accommodate the financing and other requirements related to rehabilitating or constructing the project or projects to which the assistance is transferred, to ensure that such project or projects meet the standards under subsection (c).

(c) The transfer authorized in subsection (a) is subject to the following conditions:

(1) **NUMBER AND BEDROOM SIZE OF UNITS.**—

(A) For occupied units in the transferring project: The number of low-income and very low-income units and the configuration (i.e., bedroom size) provided by the transferring project shall be no less than when transferred to the receiving project or projects and the net dollar amount of Federal assistance provided to the transferring project shall remain the same in the receiving project or projects.

(B) For unoccupied units in the transferring project: The Secretary may authorize a reduction in the number of dwelling units in the receiving project or projects to allow for a reconfiguration of bedroom sizes to meet current market demands, as determined by the Secretary and provided there is no increase in the project-based assistance budget authority.

(2) The transferring project shall, as determined by the Secretary, be either physically obsolete or economically nonviable.

(3) The receiving project or projects shall meet or exceed applicable physical standards established by the Secretary.

(4) The owner or mortgagor of the transferring project shall notify and consult with the tenants residing in the transferring project and provide a certification of approval by all appropriate local governmental officials.

(5) The tenants of the transferring project who remain eligible for assistance to be provided by the receiving project or projects shall not be required to vacate their units in the transferring project or projects until new units in the receiving project are available for occupancy.

(6) The Secretary determines that this transfer is in the best interest of the tenants.

(7) If either the transferring project or the receiving project or projects meets the condition specified in subsection (d)(2)(A), any lien on the receiving project resulting from additional financing obtained by the owner shall be subordinate to any FHA-insured mortgage lien transferred to, or placed on, such project by the Secretary, except that the Secretary may waive this requirement upon determination that such a waiver is necessary to facilitate the financing of acquisition, construction, and/or rehabilitation of the receiving project or projects.

(8) If the transferring project meets the requirements of subsection (d)(2), the owner or mortgagor of the receiving project or projects shall execute and record either a continuation of the existing use agreement or a new use agreement for the project where, in either case, any use restrictions in such agreement are of no lesser duration than the existing use restrictions.

(9) The transfer does not increase the cost (as defined in section 502 of the Congressional Budget Act of 1974, as amended) of any FHA-insured mortgage, except to the extent that appropriations are provided in advance for the amount of any such increased cost.

(d) For purposes of this section—

(1) the terms "low-income" and "very low-income" shall have the meanings provided by the statute and/or regulations governing the program under which the project is insured or assisted;

(2) the term "multifamily housing project" means housing that meets one of the following conditions—

(A) housing that is subject to a mortgage insured under the National Housing Act;

(B) housing that has project-based assistance attached to the structure including projects undergoing mark to market debt restructuring under the Multifamily Assisted Housing Reform and Affordability Housing Act;

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

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

(E) housing that is assisted under section 811 of the Cranston-Gonzales National Affordable Housing Act; or

(F) housing or vacant land that is subject to a use agreement;

(3) the term "project-based assistance" means—

(A) assistance provided under section 8(b) of the United States Housing Act of 1937;

(B) assistance for housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of such Act (as such section existed immediately before October 1, 1983);

(C) rent supplement payments under section 101 of the Housing and Urban Development Act of 1965;

(D) interest reduction payments under section 236 and/or additional assistance payments under section 236(f)(2) of the National Housing Act;

(E) assistance payments made under section 202(c)(2) of the Housing Act of 1959; and

(F) assistance payments made under section 811(d)(2) of the Cranston-Gonzalez National Affordable Housing Act;

(4) the term "receiving project or projects" means the multifamily housing project or projects to which some or all of the project-based assistance, debt, and statutorily required low-income and very low-income use restrictions are to be transferred;

(5) the term "transferring project" means the multifamily housing project which is transferring some or all of the project-based assistance, debt, and the statutorily required low-income and very low-income use restrictions to the receiving project or projects; and

(6) the term "Secretary" means the Secretary of Housing and Urban Development.

(e) **[PUBLIC NOTICE AND] RESEARCH REPORT.**—

**[(1)]** The Secretary shall publish by notice in the Federal Register the terms and conditions, including criteria for HUD approval, of transfers pursuant to this section no later than 30 days before the effective date of such notice.

**[(2)]** The Secretary shall conduct an evaluation of the transfer authority under this section, including the effect of such transfers on the operational efficiency, contract rents, physical and financial conditions, and long-term preservation of the affected properties.

**SEC. [213]208.** (a) No assistance shall be provided under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) to any individual who—

(1) is enrolled as a student at an institution of higher education (as defined under section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002));

(2) is under 24 years of age;

(3) is not a veteran;

(4) is unmarried;

(5) does not have a dependent child;

(6) is not a person with disabilities, as such term is defined in section 3(b)(3)(E) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)(E)) and was not receiving assistance under such section 8 as of November 30, 2005; and

(7) is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible, to receive assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

(b) For purposes of determining the eligibility of a person to receive assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), any financial assistance (in excess of amounts received for tuition and any other required fees and charges) that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except for a person over the age of 23 with dependent children.

**SEC. 214.** The funds made available for Native Alaskans under the heading "Native American Housing Block Grants" in title II of this Act shall be allocated to the same Native Alaskan housing block grant recipients that received funds in fiscal year 2005.

**SEC. [215]209.** [Notwithstanding the limitation in the first sentence of section 255(g) of the National Housing Act (12 U.S.C. 1715z-20(g)), the Secretary of Housing and Urban Development may, until September 30, 2016, insure and enter into commitments to insure mortgages under such section 255.] *Section 255(g) of*

the National Housing Act (12 U.S.C. 1715z-20(g)) is amended by striking "AUTHORITY—" and all that follows through "275,000." and inserting "AMOUNT.—".

SEC. [216]210. Notwithstanding any other provision of law, in fiscal year [2016] 2017, in managing and disposing of any multifamily property that is owned or has a mortgage held by the Secretary of Housing and Urban Development, and during the process of foreclosure on any property with a contract for rental assistance payments under section 8 of the United States Housing Act of 1937 or other Federal programs, the Secretary shall maintain any rental assistance payments under section 8 of the United States Housing Act of 1937 and other programs that are attached to any dwelling units in the property. To the extent the Secretary determines, in consultation with the tenants and the local government, that such a multifamily property owned or held by the Secretary is not feasible for continued rental assistance payments under such section 8 or other programs, based on consideration of (1) the costs of rehabilitating and operating the property and all available Federal, State, and local resources, including rent adjustments under section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 ("MAHRAA") and (2) environmental conditions that cannot be remedied in a cost-effective fashion, the Secretary may, in consultation with the tenants of that property, contract for project-based rental assistance payments with an owner or owners of other existing housing properties, or provide other rental assistance. The Secretary shall also take appropriate steps to ensure that project-based contracts remain in effect prior to foreclosure, subject to the exercise of contractual abatement remedies to assist relocation of tenants for imminent major threats to health and safety after written notice to and informed consent of the affected tenants and use of other available remedies, such as partial abatements or receivership. After disposition of any multifamily property described under this section, the contract and allowable rent levels on such properties shall be subject to the requirements under section 524 of MAHRAA.

SEC. [217]211. [The commitment authority funded by fees as provided under the heading "Community Development Loan Guarantees Program Account" may be used to guarantee, or make commitments to guarantee, notes, or other obligations issued by any State on behalf of non-entitlement communities in the State in accordance with the requirements of section 108 of the Housing and Community Development Act of 1974: *Provided*, That any State receiving such a guarantee or commitment shall distribute all funds subject to such guarantee to the units of general local government in non-entitlement areas that received the commitment.] **COMMUNITY DEVELOPMENT LOAN GUARANTEE AMENDMENTS.—Section 108 of the Housing and Community Development Act of 1974 (42 U.S.C. 5308) is amended—**

(1) in subsection (a) by inserting " by States on behalf of units of general local government in non-entitlement areas," after "issued by eligible public entities,";

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

"(k) The Secretary shall monitor the use by eligible public entities and states of commitment amounts authorized in appropriation Acts for any fiscal year. If the Secretary finds that 50 percent of the annual commitment amount has been committed, the Secretary may impose a limitation on the amount of guarantees any one entity may receive in any fiscal year of \$35,000,000 for units of general local government receiving grants under section 106(b) or states receiving grants under section 106(d), and \$7,000,000 for units of general local government receiving grants under section 106(d); or request the enactment of legislation increasing the annual commitment authority for guarantees under this section."; and

(3) by striking subsection (m) and inserting the following new subsection:

"(m) **DISTRIBUTION OF FUNDS TO LOCAL GOVERNMENTS IN NONENTITLEMENT AREAS.—**Any state receiving such a guarantee or commitment on behalf of non-entitlement areas shall distribute all funds that are subject to such guarantee to the units of general local government in non-entitlement areas that received the commitment."

SEC. 218. Public housing agencies that own and operate 400 or fewer public housing units may elect to be exempt from any asset management requirement imposed by the Secretary of Housing and Urban Development in connection with the operating fund rule: *Provided*, That an agency seeking a discontinuance of a reduction of subsidy under the operating fund formula shall not be exempt from asset management requirements. ]

SEC. 219. With respect to the use of amounts provided in this Act and in future Acts for the operation, capital improvement and management of public housing as authorized by sections 9(d) and 9(e) of the United States Housing Act of 1937 (42 U.S.C. 1437g(d) and (e)), the Secretary shall not impose any requirement or guideline relating to asset management that restricts or limits in any way the use of capital funds for central office costs pursuant to section 9(g)(1) or 9(g)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437g(g)(1), (2)): *Provided*, That a public housing agency may not use capital funds authorized under section 9(d) for activities that are eligible under section 9(e) for assistance with amounts from the operating fund in excess of the amounts permitted under section 9(g)(1) or 9(g)(2). ]

SEC. [220]212. No official or employee of the Department of Housing and Urban Development shall be designated as an allotment holder unless the Office of the Chief Financial Officer has determined that such allotment holder has implemented an adequate system of funds control and has received training in funds control procedures and directives. The Chief Financial Officer shall ensure that there is a trained allotment holder for each HUD sub-office under the accounts "Executive Offices" and "Administrative Support Offices," as well as each account receiving appropriations for "Program Office Salaries and Expenses" [.] and "Government National Mortgage Association—Guarantees of Mortgage-Backed Securities Loan Guarantee Program Account" [.] and "Office of Inspector General" [.] within the Department of Housing and Urban Development.

SEC. [221]213. The Secretary of the Department of Housing and Urban Development shall, for fiscal year [2016] 2017, notify the public through the Federal Register and other means, as determined appropriate, of the issuance of a notice of the availability of assistance or notice of funding availability (NOFA) for any program or discretionary fund administered by the Secretary that is to be competitively awarded. Notwithstanding any other provision of law, for fiscal year [2016] 2017, the Secretary may make the NOFA available only on the Internet at the appropriate Government web site or through other electronic media, as determined by the Secretary.

SEC. 222. Payment of attorney fees in program-related litigation shall be paid from the individual program office and Office of General Counsel salaries and expenses appropriations. The annual budget submission for the program offices and the Office of General Counsel shall include any such projected litigation costs for attorney fees as a separate line item request. No funds provided in this title may be used to pay any such litigation costs for attorney fees until the Department submits for review a spending plan for such costs to the House and Senate Committees on Appropriations. ]

SEC. [223]214. The Secretary is authorized to transfer up to 10 percent or \$4,000,000, whichever is less, of funds appropriated for any office under the heading "Administrative Support Offices" or for any account under the general heading "Program Office Salaries and Expenses" to any other such office or account: *Provided*, That no appropriation for any such office or account shall be increased or decreased by more than 10 percent or \$4,000,000, whichever is less, without prior written [approval of] notice to the House and Senate Committees on Appropriations: *Provided further*, That the Secretary shall provide notification to such Committees three business days in advance of any such transfers under this section up to 10 percent or \$4,000,000, whichever is less.

SEC. [224]215. The Disaster Housing Assistance Programs, administered by the Department of Housing and Urban Development, shall be considered a "program of the Department of Housing and Urban Development" under section 904 of the McKinney Act for the purpose of income verifications and matching.

SEC. [225]216. (a) The Secretary of Housing and Urban Development shall take the required actions under subsection (b) when a multifamily housing project with a section 8 contract or contract for similar project-based assistance:

- (1) receives a Real Estate Assessment Center (REAC) score of 30 or less; or
- (2) receives a REAC score between 31 and 59 and:

- (A) fails to certify in writing to HUD within 60 days that all deficiencies have been corrected; or
- (B) receives consecutive scores of less than 60 on REAC inspections.

Such requirements shall apply to insured and noninsured projects with assistance attached to the units under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), but do not apply to such units assisted under section 8(o)(13) (42 U.S.C. 1437f(o)(13)) or to public housing units assisted with capital or operating funds under section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g).

(b) The Secretary shall take the following required actions as authorized under subsection (a):

- (1) The Secretary shall notify the owner and provide an opportunity for response within 30 days. If the violations remain, the Secretary shall develop a Compliance, Disposition and Enforcement Plan within 60 days, with a specified timetable for correcting all deficiencies. The Secretary shall provide notice of the Plan to the owner, tenants, the local government, any mortgagees, and any contract administrator.

- (2) At the end of the term of the Compliance, Disposition and Enforcement Plan, if the owner fails to fully comply with such plan, the Secretary may require immediate replacement of project management with a management agent approved by the Secretary, and shall take one or more of the following actions, and provide additional notice of those actions to the owner and the parties specified above:

- (A) impose civil money penalties;
- (B) abate the section 8 contract, including partial abatement, as determined by the Secretary, until all deficiencies have been corrected;

(C) pursue transfer of the project to an owner, approved by the Secretary under established procedures, which will be obligated to promptly make all required repairs and to accept renewal of the assistance contract as long as such renewal is offered; or

(D) seek judicial appointment of a receiver to manage the property and cure all project deficiencies or seek a judicial order of specific performance requiring the owner to cure all project deficiencies.

(c) The Secretary shall also take appropriate steps to ensure that project-based contracts remain in effect, subject to the exercise of contractual abatement remedies to assist relocation of tenants for imminent major threats to health and safety after written notice to and informed consent of the affected tenants and use of other remedies set forth above. To the extent the Secretary determines, in consultation with the tenants and the local government, that the property is not feasible for continued rental assistance payments under such section 8 or other programs, based on consideration of (1) the costs of rehabilitating and operating the property and all available Federal, State, and local resources, including rent adjustments under section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 ("MAHRAA") and (2) environmental conditions that cannot be remedied in a cost-effective fashion, the Secretary may, in consultation with the tenants of that property, contract for project-based rental assistance payments with an owner or owners of other existing housing properties, or provide other rental assistance. The Secretary shall report semi-annually on all properties covered by this section that are assessed through the Real Estate Assessment Center and have physical inspection scores of less than 30 or have consecutive physical inspection scores of less than 60. The report shall include:

(1) The enforcement actions being taken to address such conditions, including imposition of civil money penalties and termination of subsidies, and identify properties that have such conditions multiple times; and

(2) Actions that the Department of Housing and Urban Development is taking to protect tenants of such identified properties.

**SEC. [226]217.** [None of the funds made available by this Act, or any other Act, for purposes authorized under section 8 (only with respect to the tenant-based rental assistance program) and section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.), may be used by any public housing agency for any amount of salary, including bonuses, for the chief executive officer of which, or any other official or employee of which, that exceeds the annual rate of basic pay payable for a position at level IV of the Executive Schedule at any time during any public housing agency fiscal year 2016.]

**PHA COMPENSATION.**—Section 2(b) of the United States Housing Act of 1937 (42 U.S.C. 1437 (b)) is amended by adding the following new paragraph at the end: "(4) Salary.—

"(A) General.—This paragraph establishes the maximum salary that a public housing agency may provide to its employees and the maximum annual contract amounts that may be paid to its contract personnel using funds provided under this Act. A public housing agency shall use the same salary structure as described in this paragraph and follow the requirements of uniform administrative rules for Federal grants and cooperative agreements and principles and standards for determining costs for Federal awards for all payments that it makes to its employees and for personnel hired as contractors when funds provided under this Act are used for such payments.

"(B) Salary structure.—

"(i) The base salary of public housing agency employees and the contract amount paid to contracted personnel from funds provided under this Act shall be based on the Federal General Schedule (GS) basic rate of pay, including locality adjustment, established under sections 5303 and 5304 of title 5, United States Code as follows:

"(I) For public housing agencies with fewer than 250 total units (public housing and section 8 housing vouchers), the base salary of a public housing agency employee or total annual payment to each contracted personnel shall not exceed the basic rate of pay, including a locality adjustment, for GS-11, step 10;

"(II) For public housing agencies with 250 to 1249 total units (public housing and section 8 housing vouchers), the base salary of a public housing employee or total annual payment to each contracted personnel shall not exceed the basic rate of pay, including locality adjustment, for GS-13, step 10;

"(III) For public housing agencies with 1250 or more total units (public housing and section 8 housing vouchers), the base salary of a public housing agency employee or total annual payment to each contracted personnel shall not exceed the basic rate of pay, including locality adjustment, for GS-15, step 10.

"(ii) Any amount of salary paid to an employee or of total annual payment to each contracted personnel that exceeds the amount provided under the structure of this paragraph must be from non-Federal non-Act sources.

"(iii) The salary structure provided in subparagraph (B)(i) shall be subject to any requirements that may be established for the General Schedule by an appropriations Act or by Presidential executive order for any Federal fiscal year.

"(iv) A public housing agency must certify that it has established detailed performance measures that describe how public housing agency employees or personnel hired as contractors may receive a salary or contract increase within the limits of subparagraph (B)(i). The certification shall be transmitted to the Secretary in a format as determined by the Secretary.

"(C) Definitions.—For purposes of this section—

"(i) Employee includes any member of a public housing agency organization whose salary is paid in whole or in part from funds provided under this Act, and regardless of whether such employee is full-time or part-time, temporary or permanent.

"(ii) Contracted personnel includes any member of a public housing agency organization whose position is procured under uniform administrative rules for Federal grants and cooperative agreements and who is paid in whole or in part from funds provided under this Act, and regardless of whether such individual is full-time or part-time, hourly, temporary or permanent. No such position shall be for a period beyond 5 years without re-procurement.

"(iii) Salary includes the annual basic rate of pay, including a locality adjustment, as provided in sub-paragraph (B) and any additional adjustments, such as may be provided for overtime or shift differentials, bonuses, or contract payments including bonuses. Salary does not include fringe benefits as defined in principles and standards for determining costs for Federal awards."

**SEC. 227.** None of the funds in this Act may be available for the doctoral dissertation research grant program at the Department of Housing and Urban Development. ]

**SEC. 228.** Section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v) is amended—

(1) in subsection (m)(1), by striking "fiscal year" and all that follows through the period at the end and inserting "fiscal year 2016."; and

(2) in subsection (o), by striking "September" and all that follows through the period at the end and inserting "September 30, 2016.".]

**SEC. 229.** None of the funds in this Act provided to the Department of Housing and Urban Development may be used to make a grant award unless the Secretary notifies the House and Senate Committees on Appropriations not less than 3 full business days before any project, State, locality, housing authority, tribe, nonprofit organization, or other entity selected to receive a grant award is announced by the Department or its offices. ]

**SEC. 230.** None of the funds made available by this Act may be used to require or enforce the Physical Needs Assessment (PNA). ]

**SEC. 231.** None of the funds made available by this Act nor any receipts or amounts collected under any Federal Housing Administration program may be used to implement the Homeowners Armed with Knowledge (HAWK) program. ]

**SEC. 232.** None of the funds made available in this Act shall be used by the Federal Housing Administration, the Government National Mortgage Administration, or the Department of Housing and Urban Development to insure, securitize, or establish a Federal guarantee of any mortgage or mortgage backed security that refinances or otherwise replaces a mortgage that has been subject to eminent domain condemnation or seizure, by a State, municipality, or any other political subdivision of a State. ]

**SEC. 233.** None of the funds made available by this Act may be used to terminate the status of a unit of general local government as a metropolitan city (as defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302)) with respect to grants under section 106 of such Act (42 U.S.C. 5306). ]

**SEC. [234]218. EVALUATION FUNDING FLEXIBILITY PILOT.**—Amounts made available under this Act which are either appropriated, allocated, advanced on a reimbursable basis, or transferred to the Office of Policy Development and Research in the Department of Housing and Urban Development and functions thereof, for research, evaluation, or statistical purposes, and which are unexpended at the time of completion of a contract, grant, or cooperative agreement, may be deobligated and shall immediately become available and may be reobligated in that fiscal year or the subsequent fiscal year for the research, evaluation, or statistical purposes for which the amounts are made available to that Office [subject to reprogramming requirements in section 405 of this Act].

**SEC. [235]219.** [Subsection (b) of section 225 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12755) is amended by adding at the end the following new sentence: "Such 30-day waiting period is not required if the grounds for the termination or refusal to renew involve a direct threat to the safety of the tenants or employees of the housing, or an imminent and serious threat to the property (and the termination or refusal to renew is in accordance with the requirements of State or local law)."] **MINIMUM LOCAL ALLOCATION.**—Section 217(b) of the

*Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12747(b)) is amended—*

(1) in paragraph (3)—

(A) by striking ", except as provided in paragraph (4)"; and

(B) by inserting ", except as provided in paragraph (4) of this section," following "or more, and"; and

(2) by amending paragraph (4) to read as follows:

"(4) **MINIMUM ALLOCATION.**— If the allocation under paragraph (3) for a participating jurisdiction is below \$500,000 for any three of the prior five consecutive fiscal years, the Secretary may determine that funds are not to be allocated to such jurisdiction in the sixth fiscal year."

【SEC. 236. None of the funds under this title may be used for awards, including performance, special act, or spot, for any employee of the Department of Housing and Urban Development who is subject to administrative discipline in fiscal year 2016, including suspension from work.】

【SEC. 237. The language under the heading "Rental Assistance Demonstration" in the Department of Housing and Urban Development Appropriations Act, 2012 (Public Law 112–55) is amended:

(1) In proviso eighteen, by inserting "for fiscal year 2012 and hereafter," after "Provided further, That"; and

(2) In proviso nineteen, by striking ", which may extend beyond fiscal year 2016 as necessary to allow processing of all timely applications."】

【SEC. 238. Section 526 (12 U.S.C. 1735f-4) of the National Housing Act is amended by inserting at the end of subsection (b):

"(c) The Secretary may establish an exception to any minimum property standard established under this section in order to address alternative water systems, including cisterns, which meet requirements of State and local building codes that ensure health and safety standards."】

【SEC. 239. The Secretary of Housing and Urban Development shall increase, pursuant to this section, the number of Moving to Work agencies authorized under section 204, title II, of the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act, 1996 (Public Law 104–134; 110 Stat. 1321) by adding to the program 100 public housing agencies that are designated as high performing agencies under the Public Housing Assessment System (PHAS) or the Section Eight Management Assessment Program (SEMAP). No public housing agency shall be granted this designation through this section that administers in excess of 27,000 aggregate housing vouchers and public housing units. Of the agencies selected under this section, no less than 50 shall administer 1,000 or fewer aggregate housing voucher and public housing units, no less than 47 shall administer 1,001–6,000 aggregate housing voucher and public housing units, and no more than 3 shall administer 6,001–27,000 aggregate housing voucher and public housing units. Of the 100 agencies selected under this section, five shall be agencies with portfolio awards under the Rental Assistance Demonstration that meet the other requirements of this section, including current designations as high performing agencies or such designations held immediately prior to such portfolio awards. Selection of agencies under this section shall be based on ensuring the geographic diversity of Moving to Work agencies. In addition to the preceding selection criteria, agencies shall be designated by the Secretary over a 7-year period. The Secretary shall establish a research advisory committee which shall advise the Secretary with respect to specific policy proposals and methods of research and evaluation for the demonstration. The advisory committee shall include program and research experts from the Department, a fair representation of agencies with a Moving to Work designation, and independent subject matter experts in housing policy research. For each cohort of agencies receiving a designation under this heading, the Secretary shall direct one specific policy change to be implemented by the agencies, and with the approval of the Secretary, such agencies may implement additional policy changes. All agencies designated under this section shall be evaluated through rigorous research as determined by the Secretary, and shall provide information requested by the Secretary to support such oversight and evaluation, including the targeted policy changes. Research and evaluation shall be coordinated under the direction of the Secretary, and in consultation with the advisory committee, and findings shall be shared broadly. The Secretary shall consult the advisory committee with respect to policy changes that have proven successful and can be applied more broadly to all public housing agencies, and propose any necessary statutory changes. The Secretary may, at the request of a Moving to Work agency and one or more adjacent public housing agencies in the same area, designate that Moving to Work agency as a regional agency. A regional Moving to Work agency may administer the assistance under sections 8 and 9 of the United States Housing Act of 1937 (42 U.S.C. 1437f and g) for the participating agencies within its region pursuant to the terms of its Moving to Work agreement with the Secretary. The Secretary may agree to extend the term of the agreement and to make any necessary changes to accommodate regionalization. A Moving to Work agency may be selected as a re-

gional agency if the Secretary determines that unified administration of assistance under sections 8 and 9 by that agency across multiple jurisdictions will lead to efficiencies and to greater housing choice for low-income persons in the region. For purposes of this expansion, in addition to the provisions of the Act retained in section 204, section 8(r)(1) of the Act shall continue to apply unless the Secretary determines that waiver of this section is necessary to implement comprehensive rent reform and occupancy policies subject to evaluation by the Secretary, and the waiver contains, at a minimum, exceptions for requests to port due to employment, education, health and safety. No public housing agency granted this designation through this section shall receive more funding under sections 8 or 9 of the United States Housing Act of 1937 than it otherwise would have received absent this designation. The Secretary shall extend the current Moving to Work agreements of previously designated participating agencies until the end of each such agency's fiscal year 2028 under the same terms and conditions of such current agreements, except for any changes to such terms or conditions otherwise mutually agreed upon by the Secretary and any such agency and such extension agreements shall prohibit any statutory offset of any reserve balances equal to 4 months of operating expenses. Any such reserve balances that exceed such amount shall remain available to any such agency for all permissible purposes under such agreement unless subject to a statutory offset. In addition to other reporting requirements, all Moving to Work agencies shall report financial data to the Department of Housing and Urban Development as specified by the Secretary, so that the effect of Moving to Work policy changes can be measured.】

SEC. 【240】220. (a) **AUTHORITY.**—Subject to the conditions in subsection (d), the Secretary of Housing and Urban Development may authorize, in response to requests received in fiscal years 【2016】 2017 through 【2020】 2021, the transfer of some or all project-based assistance, tenant-based assistance, capital advances, debt, and statutorily required use restrictions from housing assisted under section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013) to other new or existing housing, which may include projects, units, and other types of housing, as permitted by the Secretary.

(b) **CAPITAL ADVANCES.**—Interest shall not be due and repayment of a capital advance shall not be triggered by a transfer pursuant to this section.

(c) **PHASED AND PROPORTIONAL TRANSFERS.**—

(1) Transfers under this section may be done in phases to accommodate the financing and other requirements related to rehabilitating or constructing the housing to which the assistance is transferred, to ensure that such housing meets the conditions under subsection (d).

(2) The capital advance repayment requirements, use restrictions, rental assistance, and debt shall transfer proportionally from the transferring housing to the receiving housing.

(d) **CONDITIONS.**—The transfers authorized by this section shall be subject to the following conditions:

(1) the owner of the transferring housing shall demonstrate that the transfer is in compliance with applicable Federal, State, and local requirements regarding Housing for Persons with Disabilities and shall provide the Secretary with evidence of obtaining any approvals related to housing disabled persons that are necessary under Federal, State, and local government requirements;

(2) the owner of the transferring housing shall demonstrate to the Secretary that any transfer is in the best interest of the disabled residents by offering opportunities for increased integration or less concentration of individuals with disabilities;

(3) the owner of the transferring housing shall continue to provide the same number of units as approved for rental assistance by the Secretary in the receiving housing;

(4) the owner of the transferring housing shall consult with the disabled residents in the transferring housing about any proposed transfer under this section and shall notify the residents of the transferring housing who are eligible for assistance to be provided in the receiving housing that they shall not be required to vacate the transferring housing until the receiving housing is available for occupancy;

(5) the receiving housing shall meet or exceed applicable physical standards established or adopted by the Secretary; and

(6) if the receiving housing has a mortgage insured under title II of the National Housing Act, any lien on the receiving housing resulting from additional financing shall be subordinate to any federally insured mortgage lien transferred to, or placed on, such housing, except that the Secretary may waive this requirement upon determination that such a waiver is necessary to facilitate the financing of acquisition, construction, or rehabilitation of the receiving housing.

(e) **PUBLIC NOTICE.**—The Secretary shall publish a notice in the Federal Register of the terms and conditions, including criteria for the Department's approval of

transfers pursuant to this section no later than 30 days before the effective date of such notice.

**SEC. 241.** (a) Of the unobligated balances, including recaptures and carryover, remaining from funds appropriated to the Department of Housing and Urban Development under the heading "General and Special Risk Program Account", and for the cost of guaranteed notes and other obligations under the heading "Native American Housing Block Grants", \$12,000,000 is hereby permanently rescinded.

(b) All unobligated balances, including recaptures and carryover, remaining from funds appropriated to the Department of Housing and Urban Development under the headings "Rural Housing and Economic Development", and "Homeownership and Opportunity for People Everywhere Grants" are hereby permanently rescinded. **]**

**SEC. [242] 221.** Funds made available in this title under the heading "Homeless Assistance Grants" may be used **[**by the Secretary **]** to participate in Performance Partnership Pilots authorized **[**in an appropriations Act for fiscal year 2016 as initially authorized **]** under section 526 of division H of Public Law 113–76, **[**and extended under **]** section 524 of division G of Public Law 113–235, *section 525 of division H of Public Law 114–113, and such authorities as are enacted for Performance Partnership Pilots in an appropriations Act for fiscal year 2017* **]**: *Provided, That such participation shall be limited to no more than 10 continuums of care and housing activities to improve outcomes for disconnected youth* **]**.

**SEC. 243.** With respect to grant amounts awarded under the heading "Homeless Assistance Grants" for fiscal years 2015 and 2016 for the Continuum of Care (CoC) program as authorized under subtitle C of title IV of the McKinney-Vento Homeless Assistance Act, costs paid by program income of grant recipients may count toward meeting the recipient's matching requirements, provided the costs are eligible CoC costs that supplement the recipients CoC program. **]**

**SEC. 244.** With respect to funds appropriated under the "Community Development Fund" heading for formula allocation to states pursuant to 42 U.S.C. 5306(d), the Secretary shall permit a jurisdiction to demonstrate compliance with 42 U.S.C. 5305(c)(2)(A) if it had been designated as majority low- and moderate-income pursuant to data from the 2000 decennial Census and it continues to have economic distress as evidenced by inclusion in a designated Rural Promise Zone or Distressed County as defined by the Appalachian Regional Commission. This section shall apply to any such state funds appropriated under such heading under this Act, in each fiscal year from 2017 through 2020, and under prior appropriation Acts (with respect to any such allocated but uncommitted funds available to any such state). **]**

**SEC. 222.** *Exception to Affordable Housing Qualification for Multifamily Housing Securing Loans Made by Certain Entities. Section 542(b)(9) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-22(b)(9)) is amended at the end by inserting after the period the following: "This requirement does not apply to housing securing loans made to increase the availability of capital to small multifamily rental properties by entities approved by the Secretary as having demonstrated experience in making loans for low and moderate income multifamily housing; for these properties, first-year rents must be underwritten for each unit type at levels no higher than 30 percent of 80 percent of area median income for the appropriate household size, but property-level affordability restrictions and tenant income certifications shall not be required."*

**SEC. 223.** *Section 211 of the Department of Housing and Urban Development Appropriations Act, 2008, is repealed.*

**SEC. 224.** *Section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g) is amended—*

(1) *in subsection (d), by adding the following new paragraph at the end:*

*"(4) REPLACEMENT RESERVE ACCOUNT.—A public housing agency receiving funds under this subsection may set aside, pursuant to requirements established by the Secretary, a portion of those funds for a replacement reserve account held by the Department of Treasury."*

(2) *in subsection (g), by—*

*(A) striking paragraph (1) and inserting the following new paragraph:*

*"(1) FLEXIBILITY OF CAPITAL AND OPERATING FUND AMOUNTS.—Of any amounts allocated for any fiscal year from the funds under subsections (d) and (e) for any public housing agency that is not designated pursuant to section 6(j)(2) as a troubled public housing agency and that, in the determination of the Secretary is operating and maintaining its public housing in a safe, clean, and healthy condition, the public housing agency may use 30 percent of such amounts for any eligible activities under subsections (d)(1) and (e)(1), regardless of the fund from which the amounts were allocated and provided."; and*

*(B) redesignating paragraph (3) as (4) and inserting the following new paragraph (3):*

*"(3) USE OF OPERATING RESERVES.—In addition to the amounts in paragraph (1), any public housing agency that is not designated pursuant to*

*section 6(j)(2) as a troubled public housing agency and that, in the determination of the Secretary, is operating and maintaining its public housing in a safe, clean, and healthy condition, may use amounts set aside in operating reserve accounts for purposes under subsection (d)."; and*

*(3) in subsection (j)(4), by adding at the end the following new subparagraph:*

*"(C) CAPITAL REPLACEMENT RESERVES.—Funds placed in a capital replacement reserve account pursuant to subsection (d)(4) shall not be subject to the obligation and expenditure time limits in paragraphs (1) and (5)."*

**SEC. 225.** *GINNIE MAE SECURITIZATION.—*

*(a) Paragraph (8) of section 542(b) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-22(b)) is amended in its title by deleting "Prohibition on" and in its text by revising it to read as follows:*

*"The Government National Mortgage Association shall not securitize any multifamily loans insured or reinsured under this subsection, except as provided herein. The Government National Mortgage Association may, at the discretion of the Secretary, securitize any multifamily loan, provided that—*

*"(A) the Federal Housing Administration provides mortgage insurance based on the unpaid principal balance of the loan, as shall be described in the Risk Share Agreement;*

*"(B) the Federal Housing Administration shall not require an assignment fee for mortgage insurance claims related to the securitized mortgages; and*

*"(C) any successors and assigns of the risk share partner (including the holders of credit instruments issued under a trust mortgage or deed of trust pursuant to which such holders act by and through a trustee therein named) shall not assume any obligation under the risk-sharing agreement and may assign any defaulted loan to the Federal Housing Administration in exchange for payment of the mortgage insurance claim.*

*The risk-sharing agreement must provide for reimbursement to the Secretary by the risk share partner(s) for either all or a portion of the losses incurred on the loans insured."*

*(b) Paragraph (6) of section 542(c) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-22(c)) is amended in its title by deleting "Prohibition on" and in its text by revising it to read as follows:*

*"The Government National Mortgage Association may, at the discretion of the Secretary, securitize any multifamily loan insured under this subsection, provided that—*

*"(A) the Federal Housing Administration provides mortgage insurance based on the unpaid principal balance of the loan, as shall be described by regulation;*

*"(B) the Federal Housing Administration shall not require an assignment fee for mortgage insurance claims related to the securitized mortgages; and*

*"(C) any successors and assigns of the risk share partner (including the holders of credit instruments issued under a trust mortgage or deed of trust pursuant to which such holders act by and through a trustee therein named) shall not assume any obligation under the risk-sharing agreement and may assign any defaulted loan to the Federal Housing Administration in exchange for payment of the mortgage insurance claim. The risk-sharing agreement must provide for reimbursement to the Secretary by the risk share partner(s) for either all or a portion of the losses incurred on the loans insured."*

*(c) Clause (ii) of the first sentence of section 306(g)(1) of the National Housing Act (12 U.S.C. 1721(g)(1)) is amended by striking the semi-colon and inserting a comma, and by inserting before the period at the end the following: ", or which are insured under subsection (b) or (c) of section 542 of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-22), subject to the terms of paragraph (8) and (6), respectively, of such subsection".*

**SEC. 226.** *SHOP AMENDMENTS.—Section 11 of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 12805 note) is amended—*

*(1) in subsection (d)(2) by adding at the end the following new subparagraph:*

*"(C) PLANNING AND ADMINISTRATION.—Planning and administration of grant programs and activities, provided that such expenses do not exceed 20 percent of any grant made under this section.";*

*(2) in subsection (i)(5) by—*

*(A) striking "24" and inserting "36"; and*

*(B) striking ", except that" and all that follows through "such grant amounts";*

*(3) in subsection (j) by—*

*(A) inserting after the heading "(1) Redistribution of funds.—";*

*(B) striking "24" and inserting "36";*

*(C) striking "(or, in the case" and all that follows through "within 36 months"; and*

*(D) adding at the end the following new paragraph:*

*"(2) DEADLINE FOR COMPLETION AND CONVEYANCE.—The Secretary shall establish a deadline (which may be extended for good cause as determined by*

the Secretary) by which time all units that have been assisted with grant funds under this section must be completed and conveyed."; and

(4) by striking subsection (q).

SEC. 227. FAIR MARKET RENTALS.—Paragraph (1) of section 8(c) of the United States Housing Act of 1937 (42 U.S.C. 1437f) is amended—

(a) by inserting "(A)" after the paragraph designation;

(b) by striking the fourth, seventh, eighth, and ninth sentences; and

(c) by adding at the end the following:

"(B) Publication of Fair Market Rentals.—Not less than annually:

"(1) The Secretary shall publish a notice in the Federal Register that proposed fair market rentals for an area have been published on the site of the Department on the Internet and in any other manner specified by the Secretary. Such notice shall describe proposed material changes in the methodology for estimating fair market rentals and shall provide reasonable time for public comment.

"(2) The Secretary shall publish a notice in the Federal Register that final fair market rentals have been published on the site of the Department on the internet and in any other manner specified by the Secretary. Such notice shall include the final decisions regarding proposed substantial methodological changes for estimating fair market rentals and responses to public comments."

SEC. 228. HOUSING COUNSELING AMENDMENTS.—

(a) Section 106 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x) is amended—

(1) by adding at the end the following new subsection: "(j) Financial assistance.—For purposes of this section, the Secretary may enter into multiyear agreements as is appropriate, subject to the availability of annual appropriations.";

(2) in subsection (e)(2) by adding at the end the following sentence: "These standards may provide that an individual may also show competence to provide counseling by having successfully completed training in each of the six areas."; and

(3) in subsection (f)—(A) in paragraph (1), by inserting "or entities" after "(which may be a nonprofit organization)"; and (B) in paragraphs (3) through (6), by inserting "or entities" after the word "entity" each place such word appears.

(b) Section 4(g)(3)(A) of the Department of Housing and Urban Development Act (42 U.S.C. 3533(g)(3)(A)) is amended by—

(1) in clause (i), striking "and";

(2) in clause (ii), striking the period at the end and inserting "; and"; and

(3) adding at the end the following clause: "(iii) to accept and retain, on behalf of the Secretary, and subject to procedures established by the Secretary, funds from private entities, including mortgage lenders and servicers, and any funds made available to the Director pursuant to the settlement of any legal proceedings, to be distributed and used for housing counseling activities under section 106 of the Housing and Urban Development Act of 1968."

SEC. 229. Subsection 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)) is amended by revising subparagraph (ii) of paragraph (5)(A) to read as follows:

"(ii) HEALTH AND MEDICAL EXPENSES.—The amount, if any, by which 10 percent of annual family income is exceeded by the sum of—

(I) in the case of any elderly or disabled family, any unreimbursed health and medical care expenses; and

(II) any unreimbursed reasonable attendant care and auxiliary apparatus expenses for each handicapped member of the family to the extent necessary to enable any member of such family to be employed."

SEC. 230. LIHPRHA FLEXIBILITY.—The Low Income Housing Preservation and Resident Homeownership Act of 1990 is amended—

(1) in section 214 (12 U.S.C. 4104)—

(A) by revising subsection (a) to read as follows: "(a) ANNUAL AUTHORIZED RETURN.—Pursuant to an appraisal under section 213, the Secretary shall determine the annual authorized return on the appraised housing, which shall be— "(1) equal to 8 percent of the preservation equity (as such term is defined in section 229(8)); or "(2) an amount established by the Secretary through notice or regulation to facilitate the preservation of the housing as affordable housing through acquisition or refinancing."; and

(B) in subsection (c) by striking "section" and inserting "subtitle";

(2) by revising section 220(d)(2)(E) (12 U.S.C. 4110(d)(2)(E)) to read as follows: "(E) receive a distribution equal to the annual authorized return determined under section 214(e)"; and

(3) in section 222(e) (12 U.S.C. 4112(e))—

(A) in paragraph (1)—

(i) by striking "section shall be entitled to distribute" and inserting "subtitle shall be entitled to distribute";

(ii) in subparagraph (A), by striking "annually, all surplus cash generated by the property," and inserting "receive an annual authorized return determined under section 214(a)"; and

(iii) in subparagraph (B), by inserting "distribute" before "any funds accumulated"; and

(B) in paragraph (2)—

(i) by inserting "receives or" before "distributes"; and

(ii) in subparagraph (C), by inserting "renew or" before "extend".

SEC. 231. Subsection (a) of section 1018 of the Housing and Community Development Act of 1992 (42 U.S.C. 4852d), is amended by adding after paragraph 5 the following new paragraph:

"(6) AUTHORITY OF THE SECRETARY.—

"(A) INVESTIGATIONS.—The Secretary is authorized to conduct such investigations as may be necessary to administer and carry out his duties under this section. The Secretary is authorized to administer oaths and require by subpoena the production of documents, and the attendance and testimony of witnesses as the Secretary deems advisable. Nothing contained in this subparagraph shall prevent the Administrator of the Environmental Protection Agency from exercising authority under the Toxic Substances Control Act or this Act.

"(B) ENFORCEMENT.—Any district court of the United States within the jurisdiction of which an inquiry is carried, on application of the Attorney General, may, in the case of contumacy or refusal to obey a subpoena of the Secretary issued under this section, issue an order requiring compliance therewith; and any failure to obey such order of the court may be punished by the court as a contempt thereof."

SEC. 232. Section 184(b)(4) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a(b)(4)) is amended by adding at the end the following new subparagraphs:

"(E) The Secretary may authorize qualifying lenders to participate in a direct guarantee process for approving loans. If the Secretary determines that a mortgage insured through the direct guarantee process was not originated in accordance with the requirements established by the Secretary, then the Secretary may require the lender approved under this subparagraph to indemnify the Secretary for the loss, irrespective of whether the violation caused the mortgage default. If fraud or misrepresentation was involved in the direct guarantee process, the Secretary shall require the lender approved under this subparagraph to indemnify the Secretary for the loss regardless of when an insurance claim is paid.

"(F) Periodically, the Secretary may review the mortgages originating or underwriting single family mortgages under this section, as follows:

"(i) In conducting this review the Secretary shall compare that mortgagee with other mortgagees originating or underwriting loan guarantees for Indian housing based on the rates of defaults and claims for insured single family mortgage loans originated or underwritten by that mortgagee.

"(ii) The Secretary may also compare that mortgagee with such other mortgagees based on underwriting quality; geographic area served; or any commonly used factors the Secretary deems necessary for comparing mortgage default risk, provided that such comparison is of factors that the Secretary would expect to affect the default risk of mortgages insured by the Secretary.

"(iii) In carrying out the periodic review of mortgagee performance, the Secretary shall implement such comparisons by regulation, notice, or mortgagee letter.

"(iv) The Secretary may terminate the approval of a mortgagee to originate or underwrite loan guarantees for Indian Housing if the Secretary determines that the mortgage loans originated or underwritten by the mortgagee present an unacceptable risk to the Indian Housing Loan Guarantee fund based on a comparison of any of the factors set forth in this subparagraph or by a determination that the mortgagee engaged in fraud or misrepresentation."

SEC. 233. Section 184(l)(3) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a(l)(3)) is amended to read as follows: "(3) The term "Indian" has the same definition as in section 4(10) of the Native American Housing Assistance and Self-Determination Act of 1996."

SEC. 234. Section 184(l)(8) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a(l)(8)) is amended to read as follows:

"(8) Indian tribe.—

"(A) INDIAN TRIBE.—The term "Indian tribe" has the same definition as in section 4(13)(A) of the Native American Housing Assistance and Self-Determination Act of 1996.

"(B) FEDERALLY RECOGNIZED TRIBE.—The term "Federally recognized tribe" has the same definition as in section 4(13)(B) of the Native American Housing Assistance and Self-Determination Act of 1996.

"(C) STATE-RECOGNIZED TRIBE.—The term "State-recognized tribe" has the same definition as in section 4(13)(C)(i) of the Native American Housing Assistance and Self-Determination Act of 1996.



"(D) CONDITIONS.—Nothing in paragraph (C) shall be construed to confer upon a State-recognized tribe any rights, privileges, responsibilities, or obligations otherwise accorded Indian tribes recognized by the United States for other purposes."

SEC. 235. The fifth sentence in the second undesignated paragraph after section 221(f) of the National Housing Act (12 U.S.C. 1715(f)) is amended by inserting "or subsection (d)(4)" after "subsection (d)(3)".

SEC. 236. Section 221 of the National Housing Act (12 U.S.C. 1715) is amended by striking subsection (g)(4).

SEC. 237. Notwithstanding section 24(o) of the United States Housing Act of 1937 (42 U.S.C. 1437v(o)), amounts made available in prior appropriations Acts under the heading "Revitalization of Severely Distressed Public Housing (HOPE VI)" or under the heading "Choice Neighborhoods Initiative" may continue to be provided as assistance pursuant to such section.

SEC. 238. ADMINISTRATIVE SUPPORT FEE. Section 202 of the National Housing Act (12 U.S.C. 1708) is amended by adding the following new subsection:

"(i) Administration.—Notwithstanding any provision of law, and in addition to any other fees charged in connection with the provision of insurance under this title, in each fiscal year the Secretary may, effective on endorsements through September 30, 2019, charge and collect a fee not to exceed 4 basis points of the original principal balance of mortgages endorsed or submitted for insurance endorsement by the mortgagee that were insured under this title during the previous fiscal year.

"(A) Such fee collected from each mortgagee must be used as offsetting collections for part of the administrative contract expenses funding, information technology expenses, and any necessary salaries and expenses funding provided under the Mutual Mortgage Insurance Program Account under this title, for the purpose of modernizing FHA systems and supporting the implementation of new practices for interaction with lenders.

"(B) The Secretary must establish the amount of such fee through regulations, notice, Mortgagee Letter, or other administrative issuance after providing for public comment."

SEC. 239. Section 620 of the Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5419) is amended in subsection (d)(2) by adding "or by notice published in the Federal Register" after "pursuant to rulemaking in accordance with section 553 of title 5".

SEC. 240. UTILITIES CONSERVATION PILOT.

(a) ESTABLISHMENT.—The Secretary of Housing and Urban Development may establish, through notice, a demonstration program to incent public housing agencies, as defined in section 3(b)(6) of the United States Housing Act of 1937 (in this section referred to as "the Act"), to implement measures to reduce their energy and water consumption.

(b) ELIGIBILITY.—Public housing agencies that operate public housing programs that meet the demonstration requirements, as determined by the Secretary, shall be eligible for participation in the demonstration.

(c) INCENTIVE.—The Secretary may provide an incentive as follows to an eligible public housing agency that uses capital funds, operating funds, grants, utility rebates, and other resources to reduce its energy and/or water consumption in accordance with a plan approved by the Secretary.

(1) BASE UTILITY CONSUMPTION LEVEL.—The initial base utility consumption level under the approved plan shall be set at the public housing agency's rolling base consumption level immediately prior to the installation of energy conservation measures.

(2) FIRST YEAR UTILITY COST SAVINGS.—For the first year that an approved plan is in effect, the Secretary shall allocate the utility consumption level in the public housing operating fund using the base utility consumption level.

(3) SUBSEQUENT YEAR SAVINGS.—For each subsequent year that the plan is in effect, the Secretary shall decrease the utility consumption level by one percent of the initial base utility consumption level per year until the utility consumption level equals the public housing agency's actual consumption level that followed the installation of energy conservation measures, at which time the plan will terminate.

(4) USE OF UTILITY COST SAVINGS.—The public housing agency may use the funds resulting from the energy conservation measures, in accordance with paragraphs (2) and (3), for either operating expenses, as defined by section 9(e)(1) of the Act, or capital improvements, as defined by section 9(d)(1) of the Act.

(5) DURATION OF PLAN.—The length in years of the utility conservation plan shall not exceed the number of percentage points in utility consumption reduction a public housing agency achieves through the energy conservation measures implemented under this demonstration, but in no case shall it exceed 20 years.

(6) OTHER REQUIREMENTS.—The Secretary may establish such other requirements as necessary to further the purposes of this demonstration.

(7) EVALUATION.—Each public housing agency participating in the demonstration shall submit to the Secretary such performance and evaluation reports concerning

the reduction in energy consumption and compliance with the requirements of this section as the Secretary may require.

(d) TERMINATION.—Public housing agencies may enter into this demonstration for 5 years after the date on which the demonstration program is commenced.

SEC. 241. Section 242 of the National Housing Act (12 U.S.C. 1715z-7) is amended by striking subsection (i).

SEC. 242. Title V of the National Housing Act is amended by striking section 521 (12 U.S.C. 1735e).

SEC. 243. AUTHORIZATION TO PARTICIPATE IN THE ORIGINATION OF FHA-INSURED LOANS. Section 203(b) of the National Housing Act (12 U.S.C. 1709(b)) is amended by striking paragraph (1) and inserting the following new paragraph: "(1) Have been made to a mortgagee approved by the Secretary or to a person or entity authorized by the Secretary under section 202(d) to participate in the origination of the mortgage, and be held by a mortgagee approved by the Secretary as responsible and able to service the mortgage properly."

SEC. 244. REVIEW OF MORTGAGEE PERFORMANCE.—Section 533 of the National Housing Act (12 U.S.C. 1735f-11) is amended—

(1) by amending subsection (a) to read as follows: "(a) Periodic review of mortgagee performance.—To reduce losses in connection with single family mortgage insurance programs under this Act, at least once a year the Secretary shall review the performance of insured single family mortgages originated, underwritten, or serviced by each mortgagee.;"

(2) by amending subsection (b) to read as follows: "(b) Comparison with other mortgagees.—In conducting the review required under subsection (a), for each mortgagee the Secretary may compare the performance of insured single family mortgage loans originated or underwritten by the mortgagee or serviced by the mortgagee or its sub-servicer with the performance of other mortgagees originating, underwriting, or servicing insured single family mortgage loans. The Secretary may make this comparison on any basis the Secretary determines appropriate, such as geographic area, varying underwriting and servicing standards, or populations served. The Secretary may implement such comparison through regulations, notice, Mortgagee Letter, or other administrative issuance.;"

(3) in subsection (c)—

(A) by amending the title to by inserting "and servicer" following "origination";

(B) by striking paragraph (1) and inserting the following: "(1) Termination Authority.—Notwithstanding section 202(c), the Secretary may terminate the approval in whole or in part of a mortgagee to originate, underwrite, or service single family mortgages if the Secretary determines that the mortgage loans originated, underwritten, or serviced by the mortgagee present an unacceptable risk to the insurance funds. The determination shall be based on the comparison required under subsection (b) of this section and shall be made in accordance with regulations, notice, Mortgagee Letter, or other administrative issuance of the Secretary.;" and

(C) in paragraph (2)—

(i) by inserting "Procedure.—" prior to "The Secretary shall give"; and

(ii) in the fourth sentence, by striking "excessive default and claim rate" and inserting "unacceptable performance".

SEC. 245. INDEMNIFICATION BY MORTGAGEES.

(a) Section 202 of the National Housing Act (12 U.S.C. 1708) is amended by adding at the end the following new clause:

"(i) Indemnification by Mortgagees.—

"(1) In general.—If the Secretary determines that a mortgage executed by a mortgagee approved by the Secretary under the direct endorsement program or insured by a mortgagee pursuant to the delegation of authority under section 256 was not originated, underwritten, or serviced in accordance with the requirements established by the Secretary, and the borrower defaults on the mortgage within a reasonable period specified by the Secretary, the Secretary may require the mortgagee approved by the Secretary under the direct endorsement program or the mortgagee delegated authority under section 256 to indemnify the Secretary for the loss.

"(2) Fraud or misrepresentation.—If fraud or misrepresentation was involved in connection with the origination or underwriting, the Secretary may require the mortgagee approved by the Secretary under the direct endorsement program or the mortgagee delegated authority under section 256 to indemnify the Secretary for the loss regardless of when the borrower defaults on the mortgage.

"(3) Requirements and procedures.—The Secretary shall issue regulations establishing appropriate requirements and procedures governing the indemnification of the Secretary by the mortgagee.;"

(b) Section 256 of the National Housing Act (12 U.S.C. 1715z-21) is amended—

(1) by striking subsection (c);

(2) in subsection (e), by striking ", including" and all that follows through "by the mortgagee"; and

(3) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

SEC. 246. **SHORT SALES FOR FHA-INSURED MORTGAGES.** Section 204(a)(1) of the National Housing Act (12 U.S.C. 1710(a)(1)) is amended—

- (1) in subparagraph (C) by striking "at foreclosure"; and
- (2) in subparagraph (D) by inserting "or imminent default" after the word "default".

SEC. 247. **USE OF GOVERNMENT-FINANCED DOWNPAYMENT ASSISTANCE.** Section 203(b)(9) of the National Housing Act (12 U.S.C. 1709) is amended by replacing subparagraph (C) as follows and by adding at the end a new subparagraph (D) as follows:

"(C) Prohibited sources.—Except as provided in subparagraph (D), in no case shall the funds required by subparagraph (A) consist, in whole or in part, of funds provided by any of the following parties before, during, or after closing of the property sale:

"(i) The seller or any other person or entity that financially benefits from the transaction.

"(ii) Any third party or entity that is reimbursed, directly or indirectly, by any of the parties described in clause (i).

"(D) Government assistance.—For purposes of this paragraph, the Secretary may consider as cash or its equivalent any amounts borrowed from or provided by any entity authorized to provide secondary financing under section 528 of this Act, under such terms and conditions as may be prescribed by the Secretary, through notice, mortgagee letter, or rule.

"This subparagraph shall apply only to mortgages for which the mortgagee has issued credit approval for the borrower on or after October 1, 2008."

SEC. 248. **TRANSFER OF MORTGAGE SERVICING DUTIES.**

(a) In General.—Title II of the National Housing Act (12 U.S.C. 1707 et seq.) is amended by adding at the end the following new section:

"SEC. 259. Delegation of mortgage servicing duties.

"(a) In general.—For any mortgage or pool of mortgages insured under this title and in accordance with any published terms and conditions of the Secretary, the Secretary may require the servicer of any such mortgage or group of mortgages to enter into a subservicing arrangement with any independent specialty servicer approved by the Secretary.

"(b) Delegation requirements.—Prior to mandating any subservicing arrangement under this section, the Secretary shall—

"(1) set forth with clarity the performance conditions of a servicer that would warrant or necessitate the use of the authority granted to the Secretary under this section;

"(2) require that the performance condition warranting or necessitating the use of such authority be based on serious or material failures to comply with requirements of the Secretary;

"(3) require that any servicer whose servicing duties are subject to this section be provided a reasonable amount of time, provided that such time does not present an increase in risk to the Mutual Mortgage Insurance Fund, to rebut, address, or correct any determination of the Secretary regarding a performance condition described under paragraph (1);

"(4) only permit the Secretary to carry out the authority granted under this section upon expiration of the time-period allowed under paragraph (3);

"(5) limit the scope of the authority exercised under this subsection to mortgages that share similar underwriting, borrower, or performance characteristics as established by the Secretary;

"(6) ensure that the scope of any such authority is not applied broadly and without further limitation; and

"(c) Nothing in this subsection may be construed to limit the exercise of authority by the Secretary or the Mortgagee Review Board for violations of any requirement of the Secretary."

(b) Applicability.—The amendment made by this section shall only apply to mortgages insured under title II of the National Housing Act (12 U.S.C. 1707 et seq.) that were originated on or after the date of enactment of this Act.

SEC. 249. **HECM SPOUSAL SURVIVAL.** Section 255 of the National Housing Act (12 U.S.C. 1715z-20) is amended—

(a) in subsection (b)(2) by inserting before the period ", except that the term "mortgagor" shall not include the successors and assigns of the original borrower under a mortgage"; and

(b) in subsection (j) by amending that subsection to read as follows: "(j) Safeguard to prevent displacement of homeowner.—In order for a mortgage to be eligible for insurance under this section, the mortgage shall provide that the obligation of the homeowner to satisfy the loan obligation is deferred until the death of the homeowner, the sale of the home, or the occurrence of other events specified in regulations of the Secretary. The Secretary may, within his sole discretion, provide for further deferrals. Section 1647(b) of title 15 and any implementing regulations issued by the Board of Governors of the Federal Reserve System shall not apply to a mortgage insured under this section."

SEC. 250. **INCREASE IN SET-ASIDE OF CDBG ASSISTANCE FOR UNITED STATES-MEXICO BORDER REGION.** Section 916(a)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 5306 note) is amended by striking "10" and inserting "15".

SEC. 251. **USE OF UNUTILIZED OR UNDERUTILIZED PUBLIC BUILDINGS AND REAL PROPERTIES TO ASSIST THE HOMELESS.** Section 501 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11411) is amended—

(1) in subsection (a), by adding at the end the following new sentence: "Agencies shall not be required to submit information to the Secretary regarding properties located in an area for which the general public is denied access in the interest of national security or any buildings or structures that are excess or surplus or that are described as underutilized or unutilized, that are on land owned by a landholding agency where the underlying land is not excess, surplus, or that is described as underutilized or unutilized.";

(2) in subsection (c)(1)(A), by adding ", in a searchable database on the Web site of the appropriate Government agency, or through other electronic means, as determined by the Secretary—" after "in the Federal Register"; and

(3) in subsection (d)(3), by adding at the end the following new sentence: "If no such review of the determination is requested within the 20-day period, such property will not be included in subsequent publications unless the landholding agency makes modifications to the property that would affect its suitability and the Secretary subsequently determines the property is suitable."

SEC. 252. Paragraph (13) of section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(13)) is amended by striking subparagraph (B) and inserting the following new subparagraph: "(B) PERCENTAGE LIMITATION. A public housing agency may use project-based assistance under this paragraph for not more than 20 percent of the authorized units for the agency."

SEC. 253. Section 203(f)(2) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4133) is amended by adding the following after "any subsequent fiscal year.": "The Secretary may still determine the recipient did not carry out eligible activities in a timely manner in accordance with Section 405 of this Act."

SEC. 254. Section 401(a)(4) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4161(a)(4)) is amended—

(1) in subparagraph (A), to read as follows: "(A) IN GENERAL.—Notwithstanding any other provision of this subsection, if the Secretary makes a determination that the failure of a recipient of assistance under this Act to comply substantially with any material provision (as that term is defined by the Secretary) of this chapter is resulting, and would continue to result, in a continuing expenditure of Federal funds in a manner that is not authorized by law, the Secretary may immediately take an action described in paragraph (1) before conducting a hearing."; and

(2) in subparagraph (B)(ii), to read as follows: "(ii) commence the hearing procedures not later than 60 days after the date on which the Secretary provides notice under clause (i)."

SEC. 255. Section 302 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4152) is amended to add the following new subsection:

"(f) OVERFUNDING.—If the Secretary determines that a recipient received more block grant funding than it should have according to the allocation formula, the recipient shall repay the overfunding so that it may be properly allocated according to the formula. The recipient may repay the overfunding from past, current, or future grant amounts, or from other funds. If the recipient fails to make arrangements for repayment within a reasonable period of time, as determined by the Secretary, the Secretary may recoup the overfunding by offset against past, current, or future grant amounts. Nothing in this Act shall be construed as limiting the Secretary's authority to recoup overpaid grant funds; nor shall anything in this Act be construed as requiring formal hearing procedures or a finding of noncompliance for the Secretary to recoup overpaid grant funds."

SEC. 256. Section 103(c)(3) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4113(c)(3)) is amended by striking "section 102(c)(5)" and inserting "section 102(b)(2)(D)".

SEC. 257. Section 184A(c)(4) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13b(c)(4)) is amended by adding the following new subparagraph:

"(C) Direct Guarantee and Indemnification.—

"(i) The Secretary may authorize qualifying lenders to participate in a direct guarantee process for approving loans. If the Secretary determines that a mortgage insured through the direct guarantee process was not originated in accordance with the requirements established by the Secretary, then the Secretary may require the lender approved under this subparagraph to indemnify the Secretary for the loss, irrespective of whether the violation caused the mortgage default. If fraud or misrepresentation was involved in the direct guarantee process, the Secretary shall

require the lender approved under this subparagraph to indemnify the Secretary for the loss regardless of when an insurance claim is paid.

"(ii) Periodically, the Secretary may review the mortgagees originating or underwriting single family mortgages under this section, as follows:

"(aa) In conducting this review the Secretary shall compare that mortgagee with other mortgagees originating or underwriting loan guarantees for Native Hawaiian housing based on the rates of defaults and claims for insured single family mortgage loans originated or underwritten by that mortgagee.

"(bb) The Secretary may also compare that mortgagee with such other mortgagees based on underwriting quality; geographic area served; or any commonly used factors the Secretary deems necessary for comparing mortgage default risk, provided that such comparison is of factors that the Secretary would expect to affect the default risk of mortgages insured by the Secretary.

"(cc) In carrying out the periodic review of mortgagee performance, the Secretary shall implement such comparisons by regulation, notice, or mortgagee letter.

"(dd) The Secretary may terminate the approval of a mortgagee to originate or underwrite loan guarantees for Native Hawaiian housing if the Secretary determines that the mortgage loans originated or underwritten by the mortgagee present an unacceptable risk to the Native Hawaiian Housing Loan Guarantee fund based on a comparison of any of the factors set forth in this subparagraph or by a determination that the mortgagee engaged in fraud or misrepresentation."

#### SEC. 258. CDBG DISASTER RECOVERY ADMINISTRATIVE EXPENSES.

Unobligated balances, including recaptures and carryover, remaining from funds appropriated to the Department of Housing and Urban Development for administrative costs of the Office of Community Planning and Development associated with funds appropriated to the Department for specific disaster relief and related purposes and designated by Congress as an emergency requirement pursuant to a Concurrent Resolution on the Budget or the Balanced Budget and Emergency Deficit Control Act, including information technology costs and costs for administering and overseeing such specific disaster related funds, shall be transferred to the Program Office Salaries and Expenses, Community Planning and Development account for the Department, shall remain available until expended, and may be used for such administrative costs for administering any funds appropriated to the Department for any disaster relief and related purposes in any prior or future act, notwithstanding the purposes for which such funds were appropriated: Provided, That amounts transferred pursuant to this section that were previously designated by the Congress as an emergency requirement pursuant to a Concurrent Resolution on the Budget or the Balanced Budget and Emergency Deficit Control Act are designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985 and shall be transferred only if the President subsequently so designates the entire transfer and transmits such designation to the Congress.

SEC. 259. Section 231 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12771) is amended to read as follows:

"Sec. 231. SET-ASIDE FOR COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS.—The participating jurisdiction may reserve funds under this section for investment only in housing to be developed, sponsored, or owned by community housing development organizations. Each participating jurisdiction that chooses to set aside a portion of funds for community housing development organizations shall make reasonable efforts to identify community housing development organizations that are capable, or can reasonably be expected to carry out elements of the jurisdiction's housing strategy, and to encourage such community housing development organizations to do so."

SEC. 260. Section 218 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12748) is amended by striking subsection (g) and redesignating subsection (h) as subsection (g).

#### SEC. 261. CONTINUUM OF CARE TRANSITION GRANTS.

Section 428 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11386b) is amended by adding at the end of the section, subsection (f) to read as follows:

##### "(f) TRANSITION FOR REALLOCATED GRANT.—

"(1) From amounts under this subtitle made available to carry out subtitle B and this subtitle, the Secretary may award one-year transition grants to recipients to transition from one Continuum of Care program component to another.

"(2) In order to be eligible to receive a transition grant, the project must have the consent of the Continuum of Care, and meet standards determined by the Secretary."

#### SEC. 262. PUBLIC HOUSING AGENCIES AS SUBRECIPIENTS OF EMERGENCY SOLUTIONS GRANTS.

(a) Section 411 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11371) is amended by—

(1) by redesignating paragraphs (6) through (9), as paragraphs (7) through (10), respectively; and

(2) by inserting a new paragraph (6) as follows:

"(6) The term "public housing agency" has the meaning given such term in section 3(b)(6) of the United States Housing Act of 1937."

(b) Section 414 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11373) is amended—

(1) in subsection (a) by inserting ", public housing agencies," after "(for distribution to local governments"; and

(2) in subsection (c) by—

(A) amending the heading to read— "Distributions to nonprofit organizations and public housing agencies.— "; and

(B) inserting "and public housing agencies" after "private nonprofit organization" each time it appears.

SEC. 263. Section 363(2) of the Multifamily Mortgage Foreclosure Act (12 U.S.C. 3702(2)) is amended by—

(1) in subparagraph (D), striking "and";

(2) in subparagraph (E), striking the period and inserting "; and"; and

(3) by adding the following new subparagraph:

"(F) the Multifamily Assisted Housing Reform and Affordability Act (42 U.S.C. 1437f note)."

SEC. 264. Section 579 of the Multifamily Assisted Housing Reform and Affordability Act (MAHRA) of 1997 (42 U.S.C. 1437f note) is amended by striking "October 1, 2017" each place it appears and inserting in lieu thereof "October 1, 2019".

SEC. 265. Of the amounts made available for salaries and expenses under all accounts under this title (except for the Office of Inspector General account), a total of up to \$10,000,000 may be transferred to and merged with amounts made available in the "Information Technology Fund" account under this title.

SEC. 266. THRESHOLD REQUIREMENTS FOR LEAD-BASED PAINT HAZARD ELIMINATION IN FEDERALLY ASSISTED HOUSING. Section 302(a)(1) of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4822) is amended—

(1) in subparagraph (D) by inserting "which may be updated to adjust for inflation, using a publicly available price or cost index, as determined by the Secretary, and rounded down to a multiple of \$1,000, as published by notice in the Federal Register with opportunity for public comment" following "less than \$25,000 per unit"; and

(2) in subparagraph (E) by striking "\$25,000 per unit in Federal funds" and inserting "the amount of Federal funds specified in subparagraph (D) of this paragraph".

#### SEC. 267. HOPWA MODERNIZATION.

(a) Section 854(c) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12903(c)) is amended by—

(1) redesignating paragraph (3) as paragraph (5); and

(2) striking paragraphs (1) and (2) and inserting the following:

"(1) FORMULA ALLOCATION.—The Secretary shall allocate 90 percent of the amount approved in appropriations Acts under section 863 among States and cities as follows:

"(A) 75 percent among—

"(i) cities that are the most populous unit of general local government in a metropolitan statistical area with a population greater than 500,000, as determined by data compiled by the U.S. Census Bureau, and more than 2,000 persons living with the human immunodeficiency virus (HIV), using the data specified in subparagraph (C); and

"(ii) States with more than 2,000 persons living with HIV outside of metropolitan statistical areas; and

"(B) 25 percent of funds among States and cities that are the most populous unit of general local government in a metropolitan statistical area with a population greater than 500,000, as determined by data compiled by the U.S. Census Bureau, and more than 2,000 persons living with the human immunodeficiency virus (HIV), using the data specified in subparagraph (C) based on a combination of the housing cost factor described in subparagraph (D) and the community need factor described in subparagraph (E). The housing cost factor and community need factor to qualify a city for an allocation under this subparagraph (B) shall be based on the metropolitan statistical area in which the city is located.

"(C) SOURCE OF DATA.—The data to be used for allocating formula funds for any fiscal year shall be the number of persons living with HIV reported to and confirmed by the Director of the Centers for Disease Control and Prevention, as of December 31 of the most recent calendar year for which such data are available.

"(D) HOUSING COST FACTOR.—For purposes of allocations under subparagraph (B), the Secretary shall use a housing cost factor to account for differences in housing costs among States and metropolitan statistical areas. The housing cost factor shall be based on the fair market rents established by the Secretary pursuant to section 8(c) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)) or such other methodology established by the Secretary through regulation.

"(E) COMMUNITY NEED.—For purposes of allocations under subparagraph (B), the Secretary shall use a community need factor to account for differences in

poverty rates among States and metropolitan statistical areas. The community need factor shall be based on area poverty indexes or such other methodology established by the Secretary through regulation.

"(2) STOP-LOSS PROVISION FOR STATES AND CITIES.—For purposes of the formula allocation under paragraph (1), for fiscal year 2017 through fiscal year 2019, the Secretary shall require that a grantee's share shall not decrease more than 10 percent nor gain more than 20 percent of the share of total available formula funds under subtitle D of title VIII of the Cranston-Gonzalez National Affordable Housing Act that the grantee received in the preceding fiscal year. This provision shall not apply in fiscal year 2020 and thereafter.

"(3) CONTINUED AND RE-DETERMINATION OF ELIGIBILITY.—In fiscal year 2017 and thereafter, an applicant that is not eligible to receive a formula allocation under subsection (c)(1)(A) and (B) of this section in any or all of three consecutive fiscal years but received a formula allocation in the immediately preceding fiscal year shall be eligible to receive a formula allocation that is equal to amount representing a share of the total available formula funds, that, in each such fiscal year, is decreased not more than 10 percent of the share of the total available formula funds that the applicant received in the preceding fiscal year. In the fourth consecutive year of ineligibility and thereafter, the applicant will receive no formula allocation until it again becomes eligible under subsection (c)(1)(A) or (B) of this section, or any other then-applicable criteria for receiving formula allocation. This paragraph shall not apply to a city that becomes ineligible to receive a formula allocation solely on account of the city no longer qualifying as the most populous unit of general local government in the metropolitan statistical area.

"(4) ALTERNATIVE APPLICANT AND REALLOCATIONS.—

"(A) ALTERNATIVE APPLICANT.—The Secretary may award funds to an alternative applicant if—

"(i) the eligible applicant makes a request for such award to the Secretary, and the Secretary approves the request;

"(ii) the request of the eligible applicant is made pursuant to a written agreement between the applicant and the alternative applicant that addresses how the alternative applicant will take actions consistent with a comprehensive housing affordability strategy under section 105 of this Act; and

"(iii) the alternative applicant is a Public Housing Agency, a Unified Funding Agency under section 401 (42 U.S.C. 11360) and section 402 (42 U.S.C. 11360a) of the McKinney-Vento Homeless Assistance Act, a State, a unit of general local government, or an instrumentality of State or local government.

"(B) AGREEMENT TERM.—The written agreement under paragraph (4)(A) may be for a maximum term of ten years. The agreement may be renewed by the parties with the approval of the Secretary.

"(C) REALLOCATIONS.—If an eligible State or city declines a formula allocation, or the Secretary determines, in accordance with criteria specified in regulation, that the eligible State or city is unable to properly administer its formula allocation, the Secretary shall reallocate the reserved funds to be administered in place of the State or city. The Secretary shall make the reallocations as follows:

"(i) STATES.—The Secretary shall reallocate funds reserved for a State to one or more units of general local government within the State, as determined by the Secretary, to carry out eligible activities that meet the needs of eligible persons within the State.

"(ii) CITIES.—The Secretary shall reallocate funds reserved for a city to the State(s) containing the metropolitan statistical area in which the city is located. When the metropolitan statistical area spans two or more states, the funds shall be reallocated pro rata based on the relative number of HIV cases or in accordance with other indications of need as prescribed by the Secretary. The state(s) shall use such reallocated funds to carry out eligible activities that address the needs within the metropolitan statistical area in which the city is located.

"(iii) PRO RATA.—If the Secretary is unable to make a reallocation under either clauses (i) or (ii), the funds shall be reallocated on a pro rata basis under paragraph (1)."; and

(3) inserting at the end the following:

"(6) INTEGRATION.—Notwithstanding any other provision herein, all housing provided under this section shall be provided in the most integrated setting appropriate to the needs of any qualified persons with disabilities and shall be subject to the integration regulations under Title II of the Americans with Disabilities Act of 1990 (42 U.S.C. 12131–34) and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 701). For purposes of this section, 'most integrated setting' means a setting in which persons with disabilities have the opportunity to interact with non-disabled persons to the fullest extent possible."

(b) Section 856(g) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12905(g)) is amended to read as follows:

"(g) ADMINISTRATIVE EXPENSES.—

"(1) Grantees.—Notwithstanding any other provision of this subtitle, each grantee may use not more than 6 percent of the grant amount for administrative costs relating to administering grant amounts and allocating such amounts to project sponsors.

"(2) Project sponsors.—Notwithstanding any other provision of this subtitle, each project sponsor receiving amounts from grants made under this title may use not more than 10 percent of the amounts received for administrative costs relating to carrying out eligible activities under section 855, including the costs of staff necessary to carry out eligible activities."

(c) Section 858 of the Cranston-Gonzalez National Affordable Housing Act of 1990 (42 U.S.C. 12907) is amended—

(1) by revising the section title to read as follows: "SHORT-TERM AND MEDIUM-TERM HOUSING INTERVENTIONS AND SERVICES.—"; and

(2) in subsection (a),

amending paragraphs (1) and (2) to read as follows:

"(1) EMERGENCY SHELTERS AND OTHER SHORT-TERM FACILITY-BASED INTERVENTIONS.—

"(A) EMERGENCY SHELTERS.—Providing emergency shelter and services to such eligible persons by acquiring, leasing, renovating, repairing and converting buildings and other structures; and

"(B) SHORT-TERM FACILITIES.—Providing shelter in short-term facilities and services to such eligible persons by acquiring, leasing, renovating, repairing and converting buildings and other structures.

"(2) SHORT-TERM AND MEDIUM-TERM HOUSING INTERVENTION.—Providing rent assistance payments for short-term supported housing and rent, mortgage, and utilities payments to prevent homelessness of the tenant or mortgagor of a dwelling, and providing short and medium term rental assistance and housing relocation and stabilization services to homeless individuals or families or individuals or families at risk of homelessness, in a manner similar to the activities described in sections 415(a)(4) and (a)(5) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11374(a)(4) and (a)(5)).";

(3) by amending subsection (b) to read as follows: "(b) PROGRAM REQUIREMENTS.—

"(1) TERM OF ASSISTANCE.—The Secretary shall prescribe, by regulation, the maximum term of housing assistance authorized under this section.

"(2) PLACEMENT.—A program assisted under this section shall provide for any individual who has remained in an emergency shelter or other short-term facility assisted under this section, to the maximum extent practicable, the opportunity for placement in permanent housing or other environment appropriate to the health and social needs of the individual.

"(3) PRESUMPTION FOR INDEPENDENT LIVING.—In providing assistance under this section in any case in which the residence of an individual is appropriate to the needs of the individual, a program assisted under this section shall, when reasonable, provide for assistance in a manner appropriate to maintain the individual in such residence.

"(4) CASE MANAGEMENT SERVICES.—A program assisted under this section shall provide each individual assisted under the program with an opportunity, if eligible, to receive case management and clinical services available from the appropriate social service agencies."

(d) Section 859(a)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12908(a)(1)) is amended by inserting "for such limited periods of time as the Secretary may establish by regulation" after "low-income eligible persons".

SEC. 268. Section 8(x)(2)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437f(x)(2)(B)) is amended by striking "18 months" and inserting "60 months".

SEC. 269. The language under the heading Rental Assistance Demonstration in the Department of Housing and Urban Development Appropriations Act, 2012 (Public Law 112–55), is amended—

(a) in the undesignated paragraph before the first proviso, by inserting the following before the colon: "( 'First Component' herein)";

(b) in the second proviso, by striking "until September 30, 2018" and inserting "for fiscal year 2012 and thereafter";

(c) by striking the fourth proviso;

(d) in the thirteenth proviso, as amended (reordered) above, by—

(1) inserting "or nonprofit" before "entity, then a capable entity,"; and

(2) striking "preserves its interest" and inserting "or a nonprofit entity preserves an interest";

(e) in the seventeenth proviso, as amended (reordered) above, by—

(1) inserting "or with a project rental assistance contract under section 202(c)(2) of the Housing Act of 1959," after "section 8(o) of the Act,"; and

(2) inserting "or assistance contracts" after "for such vouchers"; and

(3) inserting the following before the colon: "( 'Second Component' herein)";

(f) by inserting the following proviso before the eighteenth proviso, as amended (reordered) above: "Provided further, That conversions of assistance under the

Second Component may not be the basis for re-screening or termination of assistance or eviction of any tenant family in a property participating in the demonstration:";

(g) in the nineteenth proviso, as amended (reordered) above, by striking "previous proviso" and all that follows through the end of the proviso and inserting "Second Component, except for conversion of Section 202 project rental assistance contracts, shall be available for project-based subsidy contracts entered into pursuant to the Second Component:";

(h) in the twentieth proviso, as amended (reordered) above, by striking "previous two provisos" and inserting "Second Component, except for conversion of Section 202 project rental assistance contracts,";

(i) in the twenty-first proviso, as amended (reordered) above, by striking "three previous provisos" and inserting "Second Component, except for conversion of Section 202 project rental assistance contracts,";

(j) by inserting the following proviso before the twenty-second proviso, as amended (reordered) above: "Provided further, That the Secretary may transfer amounts made available under the heading "Housing for the Elderly" to the accounts under the headings "Project-Based Rental Assistance" or "Tenant-Based Rental Assistance" to facilitate any Section 202 project rental assistance contract conversions under the Second Component, and any increase in cost for "Project-Based Rental Assistance" or "Tenant-Based Rental Assistance" associated with such conversion shall be equal to amounts so transferred:"; and

(k) in the twenty-third proviso, as amended (reordered) above, by striking "previous four provisos" and inserting "Second Component, as applicable,".

SEC. 270. Housing Choice Voucher Mobility Demonstration.—

(a) Authority.—To encourage families to move to lower-poverty areas and expand access to opportunity areas, the Secretary of Housing and Urban Development (hereafter referred to as "Secretary") is authorized to implement a mobility demonstration, including approving up to 10 regional housing mobility programs established by public housing agencies (hereafter referred to as "PHAs") to administer Housing Choice Voucher assistance under section 8(o) of the United States Housing Act of 1937 (hereafter referred to as "1937 Act") (42 U.S.C. 1437f(o)).

(b) Demonstration Requirements.—

(1) IN GENERAL.—The Secretary must establish the competitive selection criteria and requirements for participation in the demonstration. The Secretary may require participating PHAs to use a randomized selection process among the families eligible to receive mobility assistance under this demonstration.

(2) REGIONAL HOUSING MOBILITY PLAN.—Applicant PHAs must submit a Regional Housing Mobility Plan (hereafter referred to as "the Plan").

(A) The Plan must meet all requirements established by the Secretary and must identify—

(i) the PHAs that will participate and the number of vouchers each participating PHA will make available out of their existing programs in support of the mobility demonstration;

(ii) any community-based organizations, nonprofit organizations, businesses, and other entities that commit to participate;

(iii) any waivers or alternative requirements requested for the execution of the Plan; and

(iv) specific actions that the PHAs and other entities will undertake to accomplish the goals of the demonstration, which must include a comprehensive approach to enable a successful transition to opportunity areas and may include counseling and continued support for families.

(B) The Plan may also establish preferences for participating families, including a preference for families with children, based on regional housing needs and priorities.

(c) Funding for Mobility-Related Services.—In order to provide mobility-related services, PHAs participating in this demonstration may use administrative fees under section 8(q) of the 1937 Act (42 U.S.C. 1437f(q)), their administrative fee reserves, and funding from private entities. Mobility-related services may include but are not limited to such things as counseling, portability coordination, landlord outreach, and administrative activities associated with establishing and operating regional mobility programs.

(d) Waivers.—

(1) The Secretary may waive or specify alternative requirements for any provision of sections 8(o), 8(r), or 8(x) of the 1937 Act, except for requirements related to fair housing, nondiscrimination, labor standards, or the environment, upon a finding that such waiver or alternative requirement is necessary to implement and administer a Plan.

(2) The Secretary must publish by notice in the Federal Register any waivers or alternative requirements for statutory provisions no later than 10 days before the effective date of such notice.

(e) Implementation by Notice.—The Secretary may implement the demonstration, including its terms, procedures, requirements, and conditions, by notice.

(f) Evaluation.—No later than five years following implementation of the regional housing mobility programs, the Secretary must publish an evaluation of the effectiveness of the demonstration, subject to the availability of funding to conduct the evaluation.

SEC. 271. CIVIL MONEY PENALTIES.—Section 202a(c)(1) of the Housing Act of 1959 (12 U.S.C. 1701q-1) is amended by adding the following new subparagraph at the end:

"(N) Failure to maintain the premises, accommodations, any living unit in the property, or the grounds and equipment appurtenant thereto in good repair and condition in accordance with regulations and requirements of the Secretary."

SEC. 272. Section 421(a)(1) of the Housing and Community Development Act of 1987 (12 U.S.C. 1715z-4a(a)(1)) is amended—

(1) in subparagraph (B) by striking "(including property subject to section 202 of such Act as it existed before enactment of the Cranston-Gonzalez National Affordable Housing Act of 1990)" and inserting "of the Housing Act of 1959 or section 811 of the Cranston-Gonzalez National Affordable Housing Act of 1990";

(2) in subparagraph (C), by striking "or";

(3) by redesignating subparagraph (D) as subparagraph (E);

(4) by adding a new subparagraph (D) to read as follows: "(D) assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), excluding subsection (o), section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) or section 811 of the Cranston-Gonzalez National Affordable Housing Act of 1990"; and

(5) by amending the undesignated matter after the newly redesignated subparagraph (E) to read as follows: For purposes of this section, a use of assets or income in violation of the regulatory agreement, or such other form of regulatory control as may be imposed by the Secretary or any applicable regulation shall include any use for which the documentation in the books and accounts does not establish that the use was made for a reasonable operating expense or necessary repair of the property and when the property has not been maintained in accordance with the requirements of the Secretary and in reasonable condition for proper audit, or, in the case of assistance described under subparagraph (D), when any distribution is made when the property is not decent, safe, or sanitary."

(Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2016.)

