To increase access to affordable housing, reduce regulatory barriers, increase oversight, and assist the most vulnerable.

IN THE SENATE OF THE UNITED STATES

Mr. Scott of South Carolina introduced the following bill; which was read twice and referred to the Committee on __________________

A BILL

To increase access to affordable housing, reduce regulatory barriers, increase oversight, and assist the most vulnerable.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the “Renewing Opportunity in the American Dream to Housing Act” or the “ROAD to Housing Act”.

(b) Table of Contents.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—IMPROVING FINANCIAL LITERACY

Sec. 101. Reforms to housing counseling and financial literacy programs.
TITLE II—INCREASING ACCESS TO HOUSING

Sec. 201. Rental assistance demonstration program.
Sec. 203. Small dollar mortgage points and fees.

TITLE III—REGULATORY FLEXIBILITY

Sec. 301. Authorization of Moving to Work Program.
Sec. 302. Updating the definition of manufactured home.
Sec. 303. Rescission of Public and Indian Housing Notice 2021–18.

TITLE IV—SERVING THE MOST VULNERABLE

Sec. 401. Incentivizing local solutions to homelessness.

TITLE V—PROMOTING OPPORTUNITY

Sec. 501. Increasing housing in opportunity zones.

TITLE VI—GOOD GOVERNANCE

Sec. 601. Requiring annual testimony and oversight from housing regulators.
Sec. 602. FHA reporting requirements on safety and soundness.
Sec. 603. United States Interagency Council on Homelessness.

1 TITLE I—IMPROVING FINANCIAL LITERACY

2 SEC. 101. REFORMS TO HOUSING COUNSELING AND FINAN-
3 CIAL LITERACY PROGRAMS.
4
5 (a) IN GENERAL.—Section 106(a)(4) of the Housing
7 1701x(a)(4)) is amended—
8
9 (1) in subparagraph (B)—
10
11 (A) by striking “The Secretary” and in-
12 serting the following:
13
14 “(i) IN GENERAL.—The Secretary”; and
15
16 (B) by adding at the end the following:
17
18 “(ii) REQUIREMENT.—The Secretary
19 shall require each organization receiving
assistance under this paragraph to employ individuals providing housing counseling who—

“(I) are certified to understand sustainable homeownership; and

“(II) pass required examinations that determine the ability of the individual to counsel borrowers on responsible homeownership.

“(iii) Suspension of Certification.—If an individual employed by an organization that receives assistance under this paragraph provides counseling services to borrowers who, after receiving those services, have default rates that exceed the average default rates for borrowers counseled by individuals in the area served by the organization, the Secretary—

“(I) shall suspend the certification from the individual; and

“(II) may deny future assistance under this paragraph to that organization.

“(iv) Prohibition on Lobbying Activities.—An organization that applies
for or receives assistance under this para-
graph shall not engage in political activi-
ties, advocacy, or lobbying, whether di-
rectly or through other parties.”; and

(2) by adding at the end the following:

“(F) SET ASIDES.—The Secretary shall set
aside 40 percent of amounts authorized to carry
out this paragraph for organizations that pro-
vide rental counseling or pre-foreclosure coun-
seling.

“(G) GEOGRAPHIC DIVERSITY.—In making
grants under this paragraph, the Secretary
shall ensure that the recipients are geographi-
cally diverse and include organizations that
serve urban and rural areas.”.

(b) REQUIRING PREPURCHASE AND FORECLOSURE
MITIGATION COUNSELING.—

(1) COVERED MORTGAGE LOAN DEFINED.—In
this subsection, the term “covered mortgage loan”
means any loan which is secured by a first or subor-
dinate lien on residential real property (including in-
dividual units of condominiums and cooperatives) de-
signed principally for the occupancy of from 1- to 4-
families that is—
(A) insured by the Federal Housing Administration under title II of the National Housing Act (12 U.S.C. 1707 et seq.);

(B) insured under section 255 of the National Housing Act (12 U.S.C. 1715z–20);

(C) guaranteed under section 184 or 184A of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a, 1715z–13b);

(D) guaranteed or insured by the Department of Agriculture; or

(E) made by the Department of Agriculture.

(2) REQUIREMENT FOR PURCHASERS.—Before purchasing residential real property that secures a covered mortgage loan, the purchaser shall participate in prepurchase housing counseling.

(3) REQUIREMENT FOR BORROWERS.—A borrower with respect to a covered mortgage loan who is 30 days or more delinquent on payments for the covered mortgage loan shall participate in foreclosure mitigation counseling.
TITLE II—INCREASING ACCESS
TO HOUSING

SEC. 201. RENTAL ASSISTANCE DEMONSTRATION PROGRAM.

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) by striking the second proviso; and

(2) by striking the fourth proviso.

SEC. 202. CREATING INCENTIVES FOR SMALL DOLLAR LOAN ORIGINATORS.

(a) Small Dollar Mortgage Defined.—In this section, the term “small dollar mortgage” means a mortgage loan having an original principal obligation of not more than $70,000 that is—

(1) secured by real property designed for the occupancy of 1 to 4 families; and

(2)(A) insured by the Federal Housing Administration under title II of the National Housing Act (12 U.S.C. 1707 et seq.) or

(B) purchased or securitized by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association.
(b) **Requirement to Update Regulations.**—Not later than 270 days after the date of enactment of this Act, the Director of the Bureau of Consumer Financial Protection shall issue regulations to update part 1026 of title 12, Code of Federal Regulations (commonly referred to as “Regulation Z”) to allow for salaried originators of residential mortgage loans that only originate small dollar mortgages.

**SEC. 203. SMALL DOLLAR MORTGAGE POINTS AND FEES.**

(a) **Definition.**—In this section, the term “small dollar mortgage” means a mortgage with an original principal obligation of less than $70,000.

(b) **Amendments Required.**—Not later than 180 days after the date of enactment of this Act, the Director of the Bureau of Consumer Financial Protection, in consultation with the Secretary of Housing and Urban Development and the Director of the Federal Housing Finance Agency, shall amend the limitations with respect to points and fees under section 1026.32 of title 12, Code of Federal Regulations, or any successor regulation, to encourage additional lending for small dollar mortgages.
TITLE III—REGULATORY FLEXIBILITY

SEC. 301. AUTHORIZATION OF MOVING TO WORK PROGRAM.

(a) PROGRAM REFORMS.—Section 204 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437f note) is amended—

(1) in the section heading, by striking “DEMONSTRATION” and inserting “PROGRAM”;

(2) by striking subsection (a) and inserting the following:

“(a) PURPOSES.—The purposes of the program under this section are as follows:

“(1) ECONOMIC INDEPENDENCE.—To develop measures to promote economic independence for families with children whose head of household is working, seeking work, or preparing for work, for able-bodied individuals, and for persons with disabilities who are able to work on a limited basis, to obtain employment and become economically independent, by participating in job training, educational programs, or other supportive services and programs that assist in meeting such goal.
“(2) FLEXIBILITY AND COST-EFFECTIVENESS.—To give public housing agencies and the Secretary of Housing and Urban Development the flexibility to design and implement various approaches for providing and administering housing assistance that reduce cost and achieve greater cost effectiveness in Federal expenditures.

“(3) HOUSING CHOICE.—To increase housing choices for low-income families.”;

(3) in subsection (b)—

(A) by striking “(b) PROGRAM AUTHORITY.—The Secretary” and inserting the following:

“(b) PROGRAM AUTHORITY.—

“(1) IN GENERAL.—The Secretary”;

(B) in the first sentence, by striking “conduct a demonstration program” and all that follows through “Indian housing program and” and inserting “carry out a program under this section under which public housing agencies administering the public housing program or”;

(C) by inserting after the first sentence the following: “There shall be no limitation on the number of public housing agencies that may participate in the program under this section.”;
(D) by striking “The Secretary shall” and
all that follows through “demonstration.” and
inserting the following:
“(2) IDENTIFICATION OF REPLICABLE MODELS.—The Secretary shall provide training and technical assistance under the program and conduct detailed evaluations of various agencies to identify replicable program models promoting the purposes of the program.”;

(E) by striking “Under the demonstration”
and inserting the following:
“(3) COMBINATION OF ASSISTANCE.—Under the program under this section”; and

(F) by striking “operating assistance pro-
vided under section 9 of the United States Housing Act of 1937, modernization assistance provided under section 14)” and inserting “amounts provided to the agency from the Operating Fund under section 9(e) of the United States Housing Act of 1937, amounts provided to the agency from the Capital Fund under sec-
tion 9(d)”;

(4) in subsection (e)—
(A) in the matter preceding paragraph (1),
by striking “demonstration” and inserting “pro-
gram under this section”;

(B) in paragraph (1), by striking “9, and
14” and inserting “9(d), and 9(c)”;

(C) in paragraph (3)—

(i) in subparagraph (A), by striking
“demonstration”;

(ii) in subparagraph (B)—

(I) by striking “self-sufficiency”
and inserting “economic independ-
ence”; and

(II) by striking “purpose of this
demonstration” and inserting “pur-
pose of the program under subsection
(a)(1)”;

(iii) in subparagraph (D), by striking
“demonstration” and inserting “program
under this section;”;

(iv) in subparagraph (E), by striking
“demonstration program” and inserting
“program under this section”;

(v) by redesignating subparagraphs
(A), (B), (C), (D), and (E) as subpara-
graphs (B), (C), (D), (G), and (H), respectively;

(vi) by inserting before subparagraph (B), as so redesignated, the following:

“(A) actions to be taken under the proposed program to achieve the purposes of the program under paragraphs (1), (2), and (3) of subsection (a);”; and

(vii) by inserting after subparagraph (D), as so redesignated, the following:

“(E) hardship exceptions consistent with the purposes under subsection (a) under which tenants may be temporarily exempted from compliance with the program operated by the agency in the event of extenuating circumstances preventing such compliance and a process that provides tenants with recourse to a speedy determination regarding such an exception and makes available the contents and results of such a determination available to the public and the board of directors or other governing body on request of the tenant concerned or the director or other head official of the agency;
“(F) providing assisted families and participants in the program operated by the agency with an informal administrative hearing or grievance process, prior to any eviction or termination of assistance, which process shall make the content and determination of the hearing available to the public and the board of directors or other governing body on request of the tenant concerned or the director or other head official of the agency;”; and

(D) in paragraph (4), by striking “demonstration” and inserting “proposed program”; (5) in subsection (d)—

(A) by striking “(d) SELECTION.—In selecting among applications, the Secretary shall take into account the” and inserting the following:

“(d) APPLICATIONS FOR PARTICIPATION.—

“(1) SUBMISSION; STANDARDS FOR PARTICIPATION.—The Secretary shall provide for public housing agencies to submit applications for participation in the program under this section and shall establish, and make public, standards and requirements for participation that further the purposes of this program set forth in subsection (a), which shall—
“(A) provide that all public housing agencies not designated as troubled pursuant to part 902 or subpart B of part 985, Code of Federal Regulations, at any time during the most recent 2 fiscal years are invited to submit applications for consideration;

“(B) provide that participation of a public housing agency, upon approval, shall be for a period not shorter than 10 years;

“(C) include a common set of budget metrics for use under the program that allow for comparison of the performance of different public housing agencies under the program;

“(D) require that each public housing agency include in its application—

“(i) a list of innovative proposals to be carried out under the program that are designed to reduce the cost of, and increase the cost-efficiency of, housing provided in connection with the program and metrics to assess the progress of the agency toward such goals; and

“(ii) a list of innovative manners in which the public housing agency will use the authorities under the program to assist
families, goals regarding such activities to accomplish on an annual basis, and metrics to assess the progress of the agency toward such goals; and

“(E) include a plan for using, to the greatest extent feasible, electronic data-matching for income verification services.

“(2) Determination and notification.—

“(A) Review and determination.—Upon receipt of an application for participation in the program under this section, the Secretary shall provide for review such application by a selection panel comprised of Federal officials and employees and established by the Secretary for such purpose. Based on such review, such selection panel shall make a determination of whether to approve such agency for participation in the program under this section, based on the criteria under paragraph (4).

“(B) Notification.—Upon making a determination pursuant to subparagraph (A), the selection panel shall notify the public housing agency, the Secretary, and the governments for any counties and municipalities in which the jurisdiction of the public housing agency is lo-
cated of such determination. In the case of dis-
approval of an application, such notice shall in-
clude a statement specifying the reasons for
such disapproval.

“(3) TRANSITION.—

“(A) NUMERICAL LIMITATION.—

“(i) IN GENERAL.—The Secretary
shall review and process such applications
as to enable the transition of not less than
25 public housing agencies per year to the
program under this section (subject to ap-
provable applications), until such time as
there are not 25 public housing agencies
whose applications merit approval.

“(ii) RESERVED SPOTS FOR SMALL
AND RURAL PHAS.—Of the applications of
public housing agencies approved in each
year pursuant to clause (i), not less than
10 shall be applications of public housing
agencies that administer, in the aggregate,
fewer than 6,000 vouchers for rental as-
stance under section 8 of the United
States Housing Act of 1937 (42 U.S.C.
1437f) and public housing dwelling units,
except that if for any year the Secretary
receives fewer than 10 applications by public housing agencies described in this clause that merit approval, the requirement under this clause shall apply for such year only to the extent of the number of such approvable applications received.

“(iii) Treatment of New MTW Agencies.—Any agency that is newly transitioned under this subparagraph to participation in the program as in effect pursuant to the amendments made by the Renewing Opportunity in the American Dream to Housing Act shall count toward fulfillment of the numerical limitation in clause (i), notwithstanding the authority under section 239 of the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2016 (division L of Public Law 114–113) or any other provision of law other than this section authorizing participation of new agencies.

“(B) Contract Revisions.—The Secretary shall, from time to time and in consultation with public housing agencies, amend con-
tracts for participation by agencies in the program under this section as may be necessary, based on experiences of agencies that have participated in the program, to correct mistakes and better achieve the goals of this program set forth in subsection (a).

“(C) Renewal of certification.—

“(i) In general.—The Secretary shall provide that upon expiration of a contract for participation by a public housing agency in the program under this section, to continue participating in the program the agency shall be required to recertify with the Secretary for such renewed participation. The standards and requirements applicable to applications for initial participation in the program shall also apply to applications for renewed participation in the program.

“(ii) Treatment of numerical limitation.—An agency approved for continued participation in the program pursuant to recertification under this subparagraph shall not count toward fulfillment of the
numerical limitation in subparagraph

(A)(i).

“(4) CRITERIA.—The Secretary shall establish

criteria for approval of applications of public housing

agencies for participation in the program under this

section, which shall provide for approval of applica-

tions that are reasonably designed to carry out the

purposes of the program under subsection (a). Such

criteria shall take into consideration the capacity

and”;

(B) by striking “each” and inserting

“the”;  

(C) by striking “a program under the dem-

onstration” and inserting “the proposed pro-

gram in the application”; and

(D) by striking “an agency” and inserting

“the agency”;

(6) in subsection (e)—

(A) in paragraph (1), by striking “this
demonstration” and inserting “the program
under this section”; and

(B) in paragraph (2), by striking “dem-
onstration” and inserting “program under this

section”;
(7) in subsection (f), by striking “section 9, or pursuant to section 14 by a public housing agency participating in the demonstration under this part” and inserting “of the United States Housing Act of 1937, or provided from the Operating Fund under section 9(e) or from the Capital Fund under section 9(d) of such Act, by a public housing agency participating in the program under this section”;

(8) in subsection (g)—

(A) in paragraph (1), by inserting “, including performance in achieving each of the purposes of the program specified in subsection (a)”;

(B) in paragraph (2)—

(i) in the first sentence—

(I) by inserting “, and including such content, as shall be” before “specified by the Secretary”; and

(II) by inserting “, but not less often than annually” before the period at the end; and

(ii) by striking subparagraph (C) and inserting the following:

“(C) describe and analyze the effects of the program of the agency and the assisted ac-
activities under such program in addressing and achieving the objectives of the program under this section and each of the purposes specified in subsection (a), including the effects of the program on—

“(i) the number of new families the agency has been able to assist from the waiting lists for housing assistance that is administered by the agency, including vouchers for rental assistance under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) and dwelling units in public housing and in housing assisted with project-based section 8 assistance, as a result of the flexibility of funds and achievement of economic independence;

“(ii) the cost and annual change, per family participating in the program, of providing housing assistance referred to in clause (i) that is administered by the agency;

“(iii) any cost savings and additional housing resulting from the program; and
“(iv) the household incomes, and changes in such incomes, of members of families participating in the program who are not exempt from work requirements; and

“(v) such other factors as the Secretary considers appropriate.”;

(C) by redesignating paragraphs (3) and (4) as paragraphs (5) and (6); and

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

“(3) ANNUAL BUDGET PLAN.—

“(A) REQUIREMENT.—Each agency shall submit annually to the Secretary, together with the report under paragraph (2), a budget plan for the program of the agency for the upcoming year and shall make such budget plan publicly available.

“(B) FORM AND METRICS.—Each annual budget plan shall be set forth in a standard form, prescribed by the Secretary and shall utilize a common budget metric that allows for comparison of the budget plans of all public housing agencies participating in the program.
“(C) CONTENT.—Each annual budget plan shall include such content as the Secretary shall specify, which shall include—

“(i) a description and explanation of all new rules and policy changes adopted by the agency in accordance with this section and the program under this section and, with respect to such new rules and policy changes—

“(I) a description of the effect such rules and changes will have on the operation of the agency as compared to the preceding year and as compared to the operations of the agency other than under the program under this section;

“(II) a description of the extent to which such rules and changes helped to achieve the annual goals identified in the public housing agency’s application pursuant to subsection (d)(1)(E) and, in the case of any such goals not achieved, a description of the extent to which such
goals were not achieved and the reasons for such failure; and

“(III) whether the adoption of such new rules and policy changes required an adjustment in the annual goals identified in the public housing agency’s application pursuant to subsection (d)(1);

“(ii) a plan for all capital assets and anticipated construction and rehabilitation activities of the public housing agency in the upcoming year and a description of whether and how such activities are authorized and assisted under the program under this section; and


“(4) Public and resident participation.—
“(A) Notification of residents.—Each public housing agency shall annually hold a meeting to notify all assisted families participating in the program of the public housing agency of the contents of the report under paragraph (2) for such year and budget plan under paragraph (3) for such year and impacts on such assisted families. Any public housing agency that assists, in the aggregate, more than 50,000 families or assists families in multiple counties shall hold as many meetings as necessary to provide each assisted family a good-faith opportunity to attend such a meeting.

“(B) Public comment.—Each annual report under paragraph (2) and annual plan under paragraph (3) shall—

“(i) be made available for inspection and public comment 30 days before the meeting required by subparagraph (A) regarding such plan or report; and

“(ii) be approved in a public meeting of the board of directors or other governing body of the public housing agency before submission to the Secretary.
“(C) Public Availability.—Each annual report under paragraph (2) and annual plan under paragraph (3) shall, upon submission to the Secretary, be made publicly available and shall include all comments provided pursuant to subparagraph (B).”;

(9) in subsection (h)—

(A) in paragraph (1), by striking “demonstration” and inserting “program under this section”; and

(B) by striking paragraph (2) and inserting the following:

“(2) Review.—The Secretary shall annually review the activities of each public housing agency participating in the program under this section and, based on such review and the information submitted by the agency pursuant to subsection (g), determine—

“(A) the impact and effectiveness of the public housing agency’s program and activities in achieving each of the purposes of the program specified in subsection (a), including an assessment of such impact and effectiveness using the common set of budget metrics established pursuant to subsection (d)(1)(D);
“(B) the progress of the public housing agency toward meeting the goals identified in the public housing agency’s application pursuant to subsection (d)(1)(E), using the metrics identified in the public housing agency’s application pursuant to such subsection; and

“(C) the extent of compliance by the public housing agency with the requirements of the program under this section and, in determining such extent of compliance, shall take into consideration the unique characteristics of the public housing agency.

“(3) Verification of Accuracy.—In assessing information submitted by public housing agencies pursuant to subsection (g) and in reviewing such information and making determinations pursuant to paragraph (2) of this subsection, the Secretary shall carry out control activities and procedures designed to verify the accuracy of such information, which shall include auditing a representative sample of such information using standard statistical methods.

“(4) Continued Participation.—The Secretary shall not terminate the participation of any
public housing agency in the program under this
section unless the Secretary finds that the agency—

“(A) is in material default of the condi-
tions and obligations under the agreement en-
tered into between the agency and the Secretary
providing for such participation;

“(B) as demonstrated in its reports under
subsection (g)(2) and its annual budget plans
under subsection (g)(3), has persistently failed
to meet the goals identified in its application,
and the reasons or circumstances specified in
the public housing agency’s reports and plans
for such failure are not sufficient to justify the
continued failure;

“(C) has misused or misappropriated
funds;

“(D) has failed to make a good faith effort
to carry out the purposes of the program speci-
fied in subsection (a); or

“(E) has failed to cure a material defi-
ciency in performance after notice and an op-
portunity to correct the deficiency.

“(5) CORRECTIVE ACTION PROGRAM.—The Sec-
retary shall carry out a program—
“(A) to identify public housing agencies participating in the program under this section that are at risk of termination of such participation pursuant to paragraph (6);

“(B) to consult with such public housing agencies regarding actions that may be taken to avoid such termination;

“(C) to establish goals and timelines for such corrective actions; and

“(D) to provide appropriate technical assistance designed to facilitate such actions and avoid such termination.

“(6) Termination of participation.—Any public housing agency whose participation in the program under this section is terminated shall be subject to the provisions of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) and all other provisions of law applicable to public housing agencies not participating in the program, except that the Secretary shall provide a transition period, that begins upon such termination and is not shorter than 18 months, for such public housing agencies to come into compliance with such laws.

“(7) Reports to Congress.—Not later than the expiration of the 5-year period beginning on the
date of the enactment of the Renewing Opportunity in the American Dream to Housing Act, and not later than the expiration of each successive 5-year period thereafter, the Secretary shall submit a report to the Congress regarding the program under this section and the results of the reviews conducted under paragraph (2), which shall—

“(A) evaluate the programs carried out by public housing agencies participating in the program, including with respect to each of the purposes specified in subsection (a); and

“(B) include findings and recommendations for appropriate legislative changes to the program.

“(8) GAO REVIEWS AND REPORTS.—Not later than 180 days after the date of enactment of the Renewing Opportunity in the American Dream to Housing Act, and not less frequently than every 8 years thereafter, the Comptroller General of the United States shall—

“(A) conduct and complete a review of the program under this section, which shall include examination and analysis of the implementation of the program and identification of any short-
comings and any means for improving the program; and

“(B) submit to the Congress a report regarding the review, which shall set forth a detailed description of such implementation, any shortcomings of the program identified, and recommendations for improving the program.”;

(10) in subsection (i)—

(A) in the matter preceding paragraph (1), by striking “section 14 of the United States Housing Act of 1937 for fiscal years 1996, 1997, and 1998” and inserting “the Capital Fund under section 9(d) of the United States Housing Act of 1937 in each fiscal year”; and

(B) in paragraph (1)(B), by striking “up to 10”; and

(11) by striking subsection (j).

(b) Treatment of Participating Agencies.—

(1) Continuation of participation.—This section and the amendments made by this section shall not affect the status of any public housing agency that, as of the date of the enactment of this Act, is participating in the Moving to Work Program under section 204 of the Departments of Veterans Affairs and Housing and Urban Development, and
Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437f note), as such a participating agency.

(2) ELECTION.—Any public housing agency referred to in paragraph (1) may elect—

(A) to continue participation in the Program under section 204 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437f note) under the terms of the agreement entered into between the agency and the Secretary providing for such participation until the date of the expiration of such agreement; or

(B) at any time before date of the expiration of such agreement, to transition to participation under the program under such section 204, as amended by this Act.

(3) CONVERSION TO REFORMED PROGRAM.—

(A) IN GENERAL.—Except as provided in subparagraph (B) of this paragraph, any public housing agency that elects pursuant to paragraph (2)(A) of this subsection to continue participation in the Program under section 204 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437f note) under the terms of the agreement entered into between the agency and the Secretary providing for such participation until the date of the expiration of such agreement; or

(B) at any time before date of the expiration of such agreement, to transition to participation under the program under such section 204, as amended by this Act.
Agencies Appropriations Act, 1996 (42 U.S.C. 1437f note) shall, upon the expiration of the agreement referred to in such paragraph, be considered to have been approved for participation in the Program under such section 204, as amended by this Act, and the Secretary of Housing and Urban Development shall provide for the transition of the agency to participation under the Program under such section as so amended.

(B) INAPPLICABILITY.——Subparagraph (A) shall not apply to any public housing agency that is determined by the Secretary to be in material default, upon the expiration of the agreement referred to in paragraph (2)(A), of the conditions and obligations under such agreement.

(4) INAPPLICABILITY OF NUMERICAL LIMITATION.——Any public housing agency transitioned pursuant to paragraph (2)(B) or (3)(A) of this subsection to participation under the program under section 204 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437f note), as amended by this section,
shall not count toward fulfillment of the numerical limitation under section 204(d)(3)(A) of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437f note), as added by the amendment made by this section.

SEC. 302. UPDATING THE DEFINITION OF MANUFACTURED HOME.

Section 603(6) of the National Manufactured Housing Construction Safety and Standards Act of 1976 (42 U.S.C. 5402(6)) is amended by striking “built on a permanent chassis and”.

SEC. 303. RESCISSION OF PUBLIC AND INDIAN HOUSING NOTICE 2021–18.

The Public and Indian Housing Notice 2021–18 of the Department of Housing and Urban Development is hereby rescinded.

TITLE IV—SERVING THE MOST VULNERABLE

SEC. 401. INCENTIVIZING LOCAL SOLUTIONS TO HOMELESSNESS.

(a) CONTINUUM OF CARE PROGRAM.—Section 428 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 1186b) is amended by adding at the end the following:

“(f) INCENTIVES FOR REDUCING HOMELESSNESS.—
“(1) IN GENERAL.—From the amounts made available to carry out this subtitle for a fiscal year, the Secretary may use not more than 10 percent of the amounts made available to carry out this subtitle for incentives described in paragraph (2).

“(2) INCENTIVES.—The Secretary may provide bonuses or other incentives to a geographic area under this subtitle if, during a fiscal year, the Secretary determines that an entity receiving funds under this subtitle has demonstrably and measurably improved housing outcomes for homeless individuals in the geographic area.”.

(b) EMERGENCY SOLUTIONS GRANTS PROGRAM.—

Section 413 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11372a) is amended by adding at the end the following:

“(c) INCENTIVES FOR REDUCING HOMELESSNESS.—

“(1) IN GENERAL.—From the amounts made available to carry out this subtitle for a fiscal year, the Secretary may use not more than 10 percent of the amounts made available to carry out this subtitle for incentives described in paragraph (2).

“(2) INCENTIVES.—The Secretary may provide bonuses or other incentives to a geographic area under this subtitle if, during a fiscal year, the Sec-
retary determines that an entity receiving funds under this subtitle has demonstrably and measurably improved housing outcomes for homeless individuals in the geographic area.”.

**TITLE V—PROMOTING OPPORTUNITY**

**SEC. 501. INCREASING HOUSING IN OPPORTUNITY ZONES.**

The Secretary of Housing and Urban Development shall prioritize the award of grants from the Department of Housing and Urban Development to recipients located in, or that primarily serve, a community that has been designated as a qualified opportunity zone under section 1400Z–1 of the Internal Revenue Code of 1986.

**TITLE VI—GOOD GOVERNANCE**

**SEC. 601. REQUIRING ANNUAL TESTIMONY AND OVERSIGHT FROM HOUSING REGULATORS.**

(a) HUD PROGRAMS.—The Department of Housing and Urban Development Act (42 U.S.C. 3531 et seq.) is amended by adding at the end the following:

“SEC. 15. ANNUAL TESTIMONY.

“The Secretary shall, on an annual basis, testify before the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on the status of all
programs carried out by the Department, whether author-
ized or unauthorized.”.

(b) GOVERNMENT GUARANTEED OR INSURED MORT-
gages.—On an annual basis, the following individuals
shall testify before the Committee on Banking, Housing,
and Urban Affairs of the Senate and the Committee on
Financial Services of the House of Representatives on
mortgage loans guaranteed or insured by the Federal Gov-
ernment:

(1) The President of the Government National
Mortgage Association.

(2) The Federal Housing Commissioner.

(3) The Administrator of the Rural Housing
Service.

SEC. 602. FHA REPORTING REQUIREMENTS ON SAFETY
AND SOUNDNESS.

(a) MONTHLY REPORTING ON MUTUAL MORTGAGE
INSURANCE FUND CAPITAL RATIO.—Section 202(a) of
the National Housing Act (12 U.S.C. 1708(a)) is amended
by adding at the end the following:

“(8) OTHER REQUIRED REPORTING.—The Sec-
retary shall—

“(A) submit to Congress monthly reports
on the capital ratio required under section
205(f)(2); and
“(B) notify Congress as soon as practicable after the Fund falls below the capital ratio required under section 205(f)(2).”.

(b) First-time Homebuyers.—

(1) Definitions.—In this section—

(A) the terms “consumer report” has the meaning given the term in section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a); and

(B) the term “Federally backed mortgage loan” has the meaning given the term in section 4022 of the CARES Act (15 U.S.C. 9056).

(2) Definition of first-time homebuyer.—

For purposes of qualifying for a Federally backed mortgage loan for which a consumer report is furnished to a creditor by a consumer reporting agency described in section 603(p) of the Fair Credit Reporting Act (15 U.S.C. 1681a(p)), a first-time homebuyer shall be defined as a borrower whose consumer report does not indicate that the borrower has or had a loan with a consumer purpose that is secured by a 1- to 4-unit residential real property.

(e) GAO Study on Sustainable Homeownership.—Not later than 180 days after the date of enactment of this Act, the Comptroller General of the United
States shall conduct a study and submit to Congress a report on—

1. the value for the Federal Housing Administration of defining what is sustainable homeownership in a way that considers borrower default, refinancing to a non-insured mortgage product, paying off a mortgage loan and transitioning back to renting, and other factors that demonstrate whether insurance provided under title II of the National Housing Act (12 U.S.C. 1707 et seq.) has successfully served a borrower, including for first-time homebuyers as defined in subsection (b)(2); and

2. the feasibility of the Federal Housing Administration developing a scorecard using the metrics described in paragraph (1) to measure borrower performance and reporting the scorecard data to Congress.

SEC. 603. UNITED STATES INTERAGENCY COUNCIL ON HOMELESSNESS.

Section 203(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11313(a)) is amended—

1. in paragraph (1)—

(A) by striking "Homeless Emergency Assistance and Rapid Transition to Housing Act"
of 2009” and inserting “Renewing Opportunity in the American Dream to Housing Act”; and

(B) by striking “update such plan annually” and inserting the following: “submit to the President and Congress a report every year thereafter that includes—

“(A) the status of completion of the plan;

“(B) any modifications that were made to the plan and the reasons for those modifications; and

“(C) an estimate of when homelessness will be ended;”;

(2) by redesignating paragraphs (10) through (13) as paragraphs (11) through (14), respectively;

(3) by redesignating the second paragraph (9) (relating to collecting and disseminating information) as paragraph (10);

(4) in paragraph (13), as so redesignated, by striking “and” at the end;

(5) in paragraph (14), as so redesignated, by striking the period at the end and inserting “; and”;

and

(6) by adding at the end the following:

“(15) testify annually before Congress.”.