

AMENDMENT TO H.R. 202
OFFERED BY MR. LEACH

[Page & line nos. refer to Committee Print of 9/22/99]

Page 1, in the table of contents, strike the item relating to section 308 and insert the following new item:

Sec. 308. Mixed finance pilot program.

Page 3, line 11, before the period insert “, as required by such section 553”.

Page 3, line 14, strike “shall take effect” and insert “are effective as of”.

Page 4, strike lines 1 through 9.

Page 14, after line 12, insert the following new subsection:

1 (e) BUDGET COMPLIANCE.—This section shall be ef-
2 fective only to extent or in such amounts that are provided
3 in advance in appropriation Acts.

Page 27, after line 9, insert the following:

4 Notwithstanding any other provision of this subsection or
5 this section, an unused or underutilized commercial prop-
6 erty may be considered an eligible project under this sub-
7 section, except that the Secretary may not provide grants
8 under this section for more 3 such properties. For any

1 such projects, any reference under this section to dwelling
2 units shall be considered to refer to the premises of such
3 properties.

Page 40, strike line 15.

Page 41, strike line 2.

Page 44, line 1, strike “December 31, 1999” and in-
sert “the expiration of the 3-month period beginning on
the date of the enactment of this Act”.

Page 47, after line 18, insert the following new sub-
section:

4 (c) PROTECTION AGAINST TELEMARKETING
5 FRAUD.—

6 (1) SUPPORTIVE HOUSING FOR THE ELDER-
7 LY.—The first sentence of section 202(g)(1) of the
8 Housing Act of 1959 (12 U.S.C. 1701q(g)(1)) is
9 amended by striking “and (F)” and inserting the
10 following: “(F) providing education and outreach re-
11 garding telemarketing fraud, in accordance with the
12 standards issued under section 671(f) of the Hous-
13 ing and Community Development Act of 1992 (42
14 U.S.C. 13631(f)); and (G)”.

15 (2) OTHER FEDERALLY ASSISTED HOUSING.—
16 Section 671 of the Housing and Community Devel-
17 opment Act of 1992 (42 U.S.C. 13631), as amended

1 by subsection (b) of this section, is further
2 amended—

3 (A) in the first sentence of subsection (c),
4 by inserting after “response,” the following:
5 “providing education and outreach regarding
6 telemarketing fraud, in accordance with the
7 standards issued under subsection (f),”; and

8 (B) by adding at the end the following new
9 subsection:

10 “(f) PROTECTION AGAINST TELEMARKETING
11 FRAUD.—

12 “(1) IN GENERAL.—The Secretary, in coordina-
13 tion with the Secretary of Health and Human Serv-
14 ices, shall establish standards for service coordina-
15 tors in federally assisted housing who are providing
16 education and outreach to elderly persons residing in
17 such housing regarding telemarketing fraud. The
18 standards shall be designed to ensure that such edu-
19 cation and outreach informs such elderly persons of
20 the dangers of telemarketing fraud and facilitates
21 the investigation and prosecution of telemarketers
22 engaging in fraud against such residents.

23 “(2) CONTENTS.—The standards established
24 under this subsection shall require that any such

1 education and outreach be provided in a manner
2 that—

3 “(A) informs such residents of (i) the prev-
4 alence of telemarketing fraud targeted against
5 elderly persons; (ii) how telemarketing fraud
6 works; (iii) how to identify telemarketing fraud;
7 (iv) how to protect themselves against tele-
8 marketing fraud, including an explanation of
9 the dangers of providing bank account, credit
10 card, or other financial or personal information
11 over the telephone to unsolicited callers; (v) how
12 to report suspected attempts at telemarketing
13 fraud; and (vi) their consumer protection rights
14 under Federal law;

15 “(B) provides such other information as
16 the Secretary considers necessary to protect
17 such residents against fraudulent telemarketing;
18 and

19 “(C) disseminates the information provided
20 by appropriate means, and in determining such
21 appropriate means, the Secretary shall consider
22 on-site presentations at federally assisted hous-
23 ing, public service announcements, a printed
24 manual or pamphlet, an Internet website, and
25 telephone outreach to residents whose names

1 appear on ‘mooch lists’ confiscated from fraud-
2 ulent telemarketers.”.

Page 49, line 5, strike “and”.

Page 49, line 12, strike the period and insert “;
and”.

Page 49, after line 12, insert the following:

3 (7) examines how to establish intergenerational
4 learning and care centers and living arrangements,
5 in particular to facilitate appropriate environments
6 for families consisting only of children and a grand-
7 parent or grandparents who are the head of the
8 household.

Page 60, line 23, strike “issued”.

Page 61, strike “but” in line 6 and all that follows
through line 9 and insert a period.

Page 62, after line 14 insert the following:

9 In determining the rent level for a contract
10 under this subparagraph, the Secretary shall
11 give greater consideration to providing rent at
12 a level equal to comparable market rents for the
13 market area based on the number of the cri-

1 teria under clauses (i) through (iv) of subpara-
2 graph (D) that the project meets.

3 “(D) WAIVER OF 150 percent LIMITA-
4 TION.—Notwithstanding subparagraph (A), at
5 rent levels up to comparable market rents for
6 the market area, in the case of a project that
7 meets the requirements under clauses (i)
8 through (v) of subparagraph (A) and—

9 “(i) has residents who are a particu-
10 larly vulnerable population, as dem-
11 onstrated by a high percentage of units
12 being rented to elderly families, disabled
13 families, or large families;

14 “(ii) is located in an area in which
15 tenant-based assistance would be difficult
16 to use, as demonstrated by a low vacancy
17 rate for affordable housing, a high
18 turnback rate for vouchers, or a lack of
19 comparable rental housing;

20 “(iii) is a high priority for the local
21 community, as demonstrated by a con-
22 tribution of State or local funds to the
23 property; or

24 “(iv) is primarily occupied by elderly
25 or disabled families.

1 In determining the rent level for a contract
2 under this subparagraph, the Secretary shall
3 give greater consideration to providing rent at
4 a level equal to comparable market rents for the
5 market area based on the number of the cri-
6 teria under clauses (i) through (iv) that the
7 project meets.

Page 63, strike line 19 and all that follows through page 64, line 2 (and redesignate succeeding paragraphs and any references to such paragraphs, accordingly).

Page 71, lines 5 and 6, strike “where a use agreement has been executed and recorded” and insert “for a project for which debt restructuring has occurred under such authority”.

Page 72, line 16, after “funds” insert “accruing after the date of the enactment of this section”.

Page 72, line 19, after the period insert the following: “This subsection may not be construed to provide for, allow, or result in the release or termination, for any project, of any low- or moderate-income use restrictions that can not be eliminated by unilateral action of the owner of the project.

Page 73, line 2, before the period insert “, except that the Secretary may provide such assistance in same

manner as such moderate rehabilitation assistance and subject to the rules of the moderate rehabilitation assistance program”.

Page 74, strike line 19 and all that follows through page 75, line 5.

Page 75, strike line 7 and all that follows through line 17 and insert the following:

1 (a) CONTINUED RECEIPT OF SUBSIDIES UPON REFI-
2 NANCING.—Section 236(e) of the National Housing Act
3 (12 U.S.C. 1715z-1(e)) is amended—

4 (1) by inserting “(1)” after “(e)”; and

5 (2) by adding at the end the following new paragraph:

6 “(2) A project for which interest reduction payments
7 are made under this section and for which the mortgage
8 on the project has been refinanced shall continue to receive
9 the interest reduction payments under this section under
10 the terms of the contract for such payments, but only if
11 the project owner enters into such binding commitments
12 as the Secretary may require (which shall be applicable
13 to any subsequent owner) to ensure that the owner will
14 continue to operate the project in accordance with all low-
15 income affordability restrictions for the project in connec-
16 tion with the Federal assistance for the project for a pe-

1 rioid having a duration that is not less than the term for
2 which such interest reduction payments are made.”.

Page 76, strike lines 8 through 11 (and redesignate succeeding subsections accordingly).

Page 77, line 2, strike “(iii)” and insert “(ii)”.

Page 78, line 9, strike “a” and insert “at”.

Page 79, line 23, strike “(c)” and insert “(e)”.

Page 80, line 14, strike “(d)” and insert “(f)”.

Page 80, line 22, before the first period insert “, unless the Secretary determines that the owner is in violation of the workout agreement”.

Page 80, line 23, strike “(e)” and insert “(g)”.

Page 82, line 23, strike all and all that follows through page 83, line 6, and insert the following: “the low-income affordability restrictions for the project in connection with Federal assistance for the project have been extended for the full period applicable under the terms of assistance for the project, but in no case for a period shorter than 5 years.

Page 84, line 8, before “mortgage” insert “remaining term of the”.

Page 84, lines 22 and 23, strike “for the maximum period allowable under law”.

Page 84, line 24, before the period insert “for a minimum of 5 years, or longer, as the Secretary may prescribe under this section”.

Page 87, line 22, strike “**PRIORITY**” and insert “**PREFERENCE**”.

Page 88, line 7, strike “PRIORITY” and insert “PREFERENCE”.

Page 88, line 9, strike “priority” and insert “preference”.

Page 88, strike lines 10 through 12 and insert the following:

1 “(2) among applications otherwise having equal
2 merit for funding under this subtitle, to funding ap-
3 plications for eligible States, and qualified units of
4 general local government located in States, that have
5 not previously received a grant under this subtitle;
6 and

Page 88, line 13, before “grants” insert “to”.

Page 92, line 24, strike the period and insert “; and”.

Page 94, lines 3 through 6, strike “the same duration as the remaining period for which the interest reduction payments for the insured mortgage that funds” and insert “a duration not shorter than the remaining period for which the interest reduction payments for the insured mortgage or mortgages that fund”.

Page 100, line 25, after the close quotation marks insert “; and”.

Page 101, line 12, strike the period and insert a semicolon.

Page 114, strike line 3 and all that follows through page 115, line 12, and insert the following:

1 “(2) ANTI-CHURNING DISCLOSURE.—The Sec-
2 retary shall, by regulation, require that the mortga-
3 gee of a mortgage insured under this subsection,
4 provide to the mortgagor, within an appropriate time
5 period and in a manner established in such regula-
6 tions, a good faith estimate of (A) the total cost of
7 the refinancing, and (B) the increase in the mortga-
8 gor’s principal limit as measured by the estimated
9 initial principal limit on the mortgage to be insured
10 under this subsection less the current principal limit
11 on the home equity conversion mortgage that is
12 being refinanced and insured under this subsection.

1 “(3) WAIVER OF COUNSELING REQUIRE-
2 MENT.—The mortgagor under a mortgage insured
3 under this subsection may waive the applicability,
4 with respect to such mortgage, of the requirements
5 under subsection (d)(2)(B) (relating to third party
6 counseling), but only if—

7 “(A) the mortgagor has received the disclo-
8 sure required under paragraph (2);

9 “(B) the increase in the principal limit de-
10 scribed in paragraph (2) exceeds the amount of
11 the total cost of refinancing (as described in
12 such paragraph) by an amount to be deter-
13 mined by the Secretary; and

14 “(C) the time between the closing of the
15 original home equity conversion mortgage that
16 is refinanced through the mortgage insured
17 under this subsection and the application for a
18 refinancing mortgage insured under this sub-
19 section does not exceed 5 years.

20 “(4) CREDIT FOR PREMIUMS PAID.—Notwith-
21 standing section 203(c)(2)(A), the Secretary may re-
22 duce the amount of the single premium payment
23 otherwise collected under such section at the time of
24 the insurance of a mortgage refinanced and insured
25 under this subsection. The amount of the single pre-

1 mium for mortgages refinanced under this sub-
2 section shall be determined by the Secretary based
3 on the actuarial study required under paragraph (5).

4 “(5) ACTUARIAL STUDY.—Not later than 180
5 days after the date of the enactment of this sub-
6 section, the Secretary shall conduct an actuarial
7 analysis to determine the adequacy of the insurance
8 premiums collected under the program under this
9 subsection with respect to—

10 (A) a reduction in the single premium pay-
11 ment collected at the time of the insurance of
12 a mortgage refinanced and insured under this
13 subsection;

14 (B) the establishment of a single national
15 limit on the benefits of insurance under sub-
16 section (g) (relating to limitation on insurance
17 authority);

18 (C) the combined effect of reduced insur-
19 ance premiums and a single national limitation
20 on insurance authority.

21 “(6) FEES.—The Secretary may establish a
22 limit on the origination fee that may be charged to
23 a mortgagor under a mortgage insured under this
24 subsection, except that such limitation shall provide
25 that the origination fee may be fully financed with

1 the mortgage and shall include any fees paid to cor-
2 respondent mortgagees approved by the Secretary.
3 The Secretary shall prohibit the charging of any
4 broker fees in connection with mortgages insured
5 under this subsection.”.

Page 115, line 13, strike “The” and insert “Notwithstanding sections 2 and 3 of the Preserving Affordable Housing for Senior Citizens and Families into the 21st Century Act, the”.

Page 115, line 16, strike “120-” and insert “180-”.

Page 116, line 22, strike “120-day” and insert “180-day”.