

AMENDMENT TO H.R. 1427**OFFERED BY MR. BACHUS OF ALABAMA****[AHF amounts to FHLB program; income targeting]**

Page 119, strike lines 1 through 19 and insert the following: “housing fund shall be to provide amounts from the enterprises for use under the well-established affordable housing program of the Federal Home Loan Banks.”.

Strike line 8 on page 121 and all that follows through page 143, line 2, and insert the following:

1 “(c) TRANSFER OF ALLOCATIONS TO AFFORDABLE
2 HOUSING PROGRAM OF FEDERAL HOME LOAN BANKS.—

3 “(1) IN GENERAL.—Except as provided in para-
4 graph (4), for each year referred to in subsection
5 (b)(1), the Director shall transfer, from amounts in
6 the affordable housing fund under this section, to
7 each Federal Home Loan Bank, the formula amount
8 for the Bank determined under paragraph (2)(B) of
9 this subsection.

10 “(2) ALLOCATION.—

11 “(A) FORMULA.—The Director shall, by
12 regulation, establish a formula for allocating,

1 among all of the Federal Home Loan Banks,
2 the amounts provided by the enterprises in each
3 year referred to in subsection (b)(1), other than
4 2007, to the affordable housing fund under this
5 section.

6 “(B) FORMULA AMOUNT.—For each year
7 referred to in subparagraph (A), the Director
8 shall determine the formula amount under this
9 paragraph for each Federal Home Loan Bank,
10 which shall be the amount determined for such
11 Bank by applying the formula established pur-
12 suant to subparagraph (A) to the aggregate
13 amount allocated by the enterprises to the af-
14 fordable housing fund for such year, less any
15 amounts used pursuant to paragraph (5).

16 “(3) USE.—Amounts transferred to a Federal
17 Home Loan Bank pursuant to paragraph (1) shall
18 be used only for subsidies for advances, including
19 grants, and for advances, under the Affordable
20 Housing Program of such Bank established in ac-
21 cordance with section 10(j) of the Federal Home
22 Loan Bank Act (12 U.S.C. 1430(j)), except that—

23 “(A) for purposes of carrying out this
24 paragraph, any reference in such section 10(j)
25 to ‘low- and moderate-income’, ‘families with in-

1 comes at or below 80 percent of the median in-
2 come for the area', 'families whose income is 80
3 percent or less of the median income for the
4 area', and 'very low-income households' shall be
5 considered to refer to 'extremely low- and very
6 low-income families'; and

7 "(B) a Bank may use for administrative
8 costs of carrying out its Program only such
9 amount as the Director shall, by regulation,
10 provide.

11 "(4) 2007 ALLOCATION FOR MISSISSIPPI AND
12 LOUISIANA DISASTER AREAS.—For 2007, the Direc-
13 tor shall allocate, among all of the Federal Home
14 Loan Banks in such amounts or according to such
15 formula as the Director considers appropriate, and
16 transfer to such Banks according to such allocation,
17 the aggregate amount allocated by the enterprises to
18 the affordable housing fund under this section for
19 such year to the Federal Home Loan Banks, for use,
20 in accordance with paragraph (3), only for afford-
21 able housing activities carried out in areas that were
22 subject to a declaration by the President of a major
23 disaster or emergency under the Robert T. Stafford
24 Disaster Relief and Emergency Assistance Act (42

1 U.S.C. 5121 et seq.) in connection with Hurricane
2 Katrina or Rita of 2005, except that—

3 “(A) 75 percent of such amount shall be
4 available for use only in such areas located in
5 Louisiana; and

6 “(B) 25 percent of such amount shall be
7 available for use only in such areas located in
8 Mississippi.

9 “(5) REQUIRED AMOUNT FOR REFCORP.—Of
10 the aggregate amount allocated pursuant to sub-
11 section (b) in each year to the affordable housing
12 fund, 25 percent shall be used as provided in section
13 21B(f)(2)(E) of the Federal Home Loan Bank Act
14 (12 U.S.C. 1441b(f)(2)(E)).”.

Page 143, strike lines 3 through 13 and insert the
following:

15 (b) TIMELY ESTABLISHMENT OF FORMULA OF AL-
16 LOCATION TO FEDERAL HOME LOAN BANKS.—

17 (1) IN GENERAL.—The Director of the Federal
18 Housing Finance Agency shall, not later than the ef-
19 fective date under section 185 of this Act, issue the
20 regulations establishing the allocation formulas in
21 accordance with the provisions of section
22 1337(c)(2)(A) of the Housing and Community De-

- 1 velopment Act of 1992, as such section is amended
- 2 by subsection (a) of this section.

Page 144, line 11, strike “section 1337(i)(1)” and
insert “section 1337(c)(5)”.