

**AMENDMENT TO THE OVERSIGHT PLAN OF THE COMMITTEE ON
FINANCIAL SERVICES FOR THE 112TH CONGRESS**

OFFERED BY MR. ELLISON

Page 21, amend the paragraph relating to “Neighborhood Stabilization Program (NSP)” to read as follows:

Neighborhood Stabilization Program (NSP). Authorized under the Housing and Economic Recovery Act of 2008, the NSP allocates federal financial assistance to states and local governments with high concentrations of foreclosed homes, subprime mortgage loans, and delinquent home mortgages. Two rounds of NSP funding have already been provided to states and localities, and the Dodd-Frank Act provided for a third round of grants to local governments and states to purchase and rehabilitate vacant and foreclosed properties. Although HUD Secretary Shaun Donovan announced in May 2010 that HUD might recapture and redistribute approximately \$1 billion in unobligated NSP1 funds, more than 99% of these funds were obligated as of October 1, 2010, demonstrating the success of HUD’s technical assistance to grantees and the vital need for these funds. Funding for NSP2 and NSP3 has been announced and local governments have created budgets and project plans based on the awards, in many cases using these funds to leverage other public and private resources. While grantees reported some initial problems with implementation, GAO found that HUD took actions to meet these challenges allowing grantees to obligate funds in a timely manner, adopt strategies appropriate to their communities, and follow program rules. Rather than revoke these critical funds from communities, the Committee will review oversight and administration of the program with the aim of ensuring that funds are used in a prompt and appropriate manner.