To amend the Housing and Community Development Act of 1974 to set aside community development block grant amounts in each fiscal year for grants to local chapters of veterans service organizations for the renovation, rehabilitation, and modernization of local chapter facilities.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “Veterans Service Organization Modernization Act of 2021”.
SEC. 2. COMPETITIVE GRANTS TO VETERANS SERVICE ORGANIZATIONS FOR FACILITY REHABILITATION AND MODERNIZATION.

(a) GRANTS.—Section 107 of the Housing and Community Development Act of 1974 (42 U.S.C. 5307) is amended by adding at the end the following new subsection:

“(g) COMPETITIVE GRANTS TO VETERANS SERVICE ORGANIZATIONS FOR FACILITY REHABILITATION AND UPGRADING TECHNOLOGY.—

“(1) Authority; eligible activities and uses.—Using the amounts made available under section 106(a)(4) in each fiscal year for grants under this subsection, the Secretary shall make grants, on a competitive basis, to eligible veterans service organizations, which grant amounts shall be available for use only for—

“(A) repairs or rehabilitation of existing facilities of such organizations; and

“(B) modernization of technologies used by such organizations.

“(2) ELIGIBLE VETERANS SERVICE ORGANIZATIONS.—For purposes of this subsection, the term ‘eligible veterans service organization’ means—

“(A) an entity that—
“(i) is organized on a local or area basis; and

“(ii) is—

“(I) exempt from taxation pursuant to section 501(c)(19) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c)(19)); or

“(II) an organization of past or present members of the Armed Forces of the United States that is chartered under title 36, United States Code; and

“(B) a local or area chapter, post, or other unit of a national, regional, Statewide, or other larger entity of which local or area chapters, posts, or units are members—

“(i) that is exempt from taxation pursuant to section 501(c)(19) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c)(19)); or

“(ii) which larger entity is an organization of past or present members of the Armed Forces of the United States that is chartered under title 36, United States Code.
“(3) LIMITATIONS.—

“(A) AMOUNT.—No eligible veterans service organization may receive grant amounts under this subsection, from the amounts made available for any single fiscal year, in an amount exceeding the lesser of—

“(i) the aggregate cost of the proposed activities and uses under paragraph (1) for which the grant amounts will be used; or

“(ii) $100,000.

“(B) TIMING.—Any eligible veterans service organization that receives grant amounts under this subsection from amounts made available for a fiscal year shall be ineligible for any grant from any amounts made available for such grants for any of the succeeding three fiscal years.

“(4) APPLICATIONS.—Applications for assistance under this subsection may be submitted only by eligible veterans service organizations, and shall be in such form and in accordance with such procedures as the Secretary shall establish. Such applications shall include a plan for the proposed repair or
rehabilitation activities to be conducted using grant
amounts under this subsection.

“(5) SELECTION; CRITERIA.—The Secretary
shall select applications to receive grants under this
subsection pursuant to a competition and based on
criteria for such selection, which shall include—

“(A) the extent of need for such assist-
ance;

“(B) the quality of the plan proposed for
repair or rehabilitation of the facility involved;

“(C) the capacity or potential capacity of
the applicant to successfully carry out the plan;
and

“(D) such other factors as the Secretary
determines to be appropriate.

“(6) PROHIBITION OF CONSTRUCTION OR AC-
QUISITION.—No amounts from a grant under this
subsection may be used for the construction or ac-
quision of a new facility.”.

(b) FUNDING.—Subsection (a) of section 106 of the
Housing and Community Development Act of 1974 (42
U.S.C. 5306(a)) is amended—

(1) in paragraph (4), by striking “and (3)”’’
and inserting ““(3), and (4)”’’;
(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following new paragraph:

“(4) For each fiscal year, after reserving amounts under paragraphs (1) and (2) and allocating amounts under paragraph (3), the Secretary shall allocate $10,000,000 (subject to sufficient amounts remaining after such reservations and allocation) for grants under section 107(g).”.

(c) Regulations.—The Secretary of Housing and Urban Development shall issue any regulations necessary to carry out sections 106(a)(4) and 107(g) of the Housing and Community Development Act of 1974, as added by the amendments made by this section, not later than the expiration of the 90-day period beginning on the date of the enactment of this Act.