

116TH CONGRESS
2D SESSION

S.

To establish a Housing Assistance Fund at the Department of the Treasury.

IN THE SENATE OF THE UNITED STATES

Mr. REED (for himself and Mr. BROWN) introduced the following bill; which
was read twice and referred to the Committee on

A BILL

To establish a Housing Assistance Fund at the Department
of the Treasury.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,

3 SECTION 1. HOUSING ASSISTANCE FUND.

4 (a) DEFINITIONS.—In this section:

5 (1) SECRETARY.—The term “Secretary” means
6 the Secretary of the Treasury.

7 (2) STATE.—The term “State” means any
8 State of the United States, the District of Columbia,
9 any territory of the United States, Puerto Rico,
10 Guam, American Samoa, the Virgin Islands, and the
11 Northern Mariana Islands.

1 (b) ESTABLISHMENT OF FUND.—There is estab-
2 lished at the Department of the Treasury a Housing As-
3 sistance Fund to provide such funds as are appropriated
4 in subsection (f) to State housing finance agencies and
5 any entity named under subsection (j) for the purpose of
6 preventing homeowner mortgage defaults, foreclosures,
7 and displacements of individuals and families experiencing
8 financial hardship after January 21, 2020.

9 (c) ALLOCATION OF FUNDS.—

10 (1) IN GENERAL.—The Secretary shall establish
11 such criteria as are necessary to allocate the funds
12 available within the Housing Assistance Fund to
13 each state. The Secretary shall allocate such funds
14 among all States taking into consideration the num-
15 ber of unemployment claims within a State relative
16 to the nation-wide number of unemployment claims.

17 (2) SMALL STATE MINIMUM.—Each State shall
18 receive no less than \$250,000,000 for the purposes
19 established in (b).

20 (3) TRIBAL SET-ASIDE.—The Secretary shall
21 allocate funds to an entity designated under sub-
22 section (j) pursuant to the requirements of that sub-
23 section.

24 (d) DISBURSEMENT OF FUNDS.—

1 (1) INITIAL DISBURSEMENT.—The Secretary
2 shall disburse to the State housing finance agencies
3 and entities designated under subsection (j) not less
4 than $\frac{1}{2}$ of the amount made available pursuant to
5 this section, and in accordance with the allocations
6 established under subsections (c) and (j), not later
7 than 120 days after the date of enactment of this
8 Act. The Secretary or designee shall enter into a
9 contract with each State housing finance agency and
10 each entity designated under subsection (j), which
11 may be amended from time to time, establishing the
12 terms of the use of such funds prior to the disburse-
13 ment of such funds.

14 (2) SECOND DISBURSEMENT.—The Secretary
15 shall disburse all funds made available pursuant to
16 this section, and in accordance with the allocations
17 established under subsections (c) and (j), not later
18 than 180 days after the date of enactment of this
19 Act.

20 (e) PERMISSIBLE USES OF FUND.—

21 (1) IN GENERAL.—Funds made available to
22 State housing finance agencies and designated enti-
23 ties under subsection (j) pursuant to this section
24 may be used for the purposes established under sub-
25 section (b), which may include—

- 1 (A) mortgage payment assistance;
- 2 (B) financial assistance to allow a bor-
3 rower to reinstate their mortgage following a
4 period of forbearance;
- 5 (C) principal reduction;
- 6 (D) payment assistance for—
- 7 (i) utilities, including electric, gas,
8 and water; and
- 9 (ii) internet service, including
10 broadband internet access service, as de-
11 fined in section 8.1(b) of title 47, Code of
12 Federal Regulations (or any successor reg-
13 ulation);
- 14 (E) any program established under the
15 Housing Finance Agency Innovation Fund for
16 the Hardest Hit Housing Markets;
- 17 (F) reimbursement of funds expended by a
18 State or local government during the period be-
19 ginning on January 21, 2020, and ending on
20 the date that the first funds are disbursed by
21 the State under the Housing Assistance Fund,
22 for the purpose of providing housing or utility
23 payment assistance to individuals or otherwise
24 providing funds to prevent foreclosure or evis-
25 tion of a homeowner or prevent mortgage delin-

1 quency or loss of housing or utilities as a re-
2 sponse to the coronavirus disease 2019
3 (COVID–19) pandemic; and

4 (G) any other assistance to prevent evic-
5 tion, mortgage delinquency or default, fore-
6 closure, or the loss of utility services.

7 (2) ADMINISTRATIVE EXPENSES.—Not greater
8 than 10 percent of the amount allocated to a State
9 or an entity pursuant to subsections (c) or (j) may
10 be used by a State housing financing agency or an
11 entity for administrative expenses. Any amounts al-
12 located to administrative expenses that are no longer
13 necessary for administrative expenses may be used
14 in accordance with paragraph (1).

15 (f) APPROPRIATION.—There is appropriated, out of
16 amounts in the Treasury not otherwise appropriated, for
17 the fiscal year ending September 30, 2020, to remain
18 available until expended or transferred or credited under
19 subsection (h) or subsection (j), \$75,000,000,000 to the
20 Housing Assistance Fund established under subsection
21 (b).

22 (g) USE OF HOUSING FINANCE AGENCY INNOVATION
23 FUND FOR THE HARDEST HIT HOUSING MARKETS
24 FUNDS.—A State housing finance agency may reallocate
25 any administrative or programmatic funds it has received

1 as an allocation from the Housing Finance Agency Inno-
2 vation Fund for the Hardest Hit Housing Markets created
3 pursuant to section 101(a) of the Emergency Economic
4 Stabilization Act of 2008 (12 U.S.C. 5211(a)) that have
5 not been otherwise allocated or disbursed as of the date
6 of enactment of this Act to supplement any administrative
7 or programmatic funds received from the Housing Assist-
8 ance Fund. Such reallocated funds shall not be considered
9 when allocating resources from the Housing Assistance
10 Fund using the process established under subsection (c)
11 and shall remain available for the uses permitted and
12 under the terms and conditions established by the contract
13 with the Secretary created pursuant to subsection (d)(1)
14 and the terms of subsection (h).

15 (h) RESCISSION OF FUNDS.—Any funds that have
16 not been allocated by a State housing finance agency to
17 provide assistance as described under subsection (e) by
18 December 31, 2030, shall be reallocated by the Secretary
19 in the following manner:

20 (1) 65 percent shall be transferred or credited
21 to the Housing Trust Fund established under sec-
22 tion 1338 of the Federal Housing Enterprises Fi-
23 nancial Safety and Soundness Act of 1992 (12
24 U.S.C. 4568); and

1 (2) 35 percent shall be transferred or credited
2 to the Capital Magnet Fund under section 1339 of
3 the Federal Housing Enterprises Financial Safety
4 and Soundness Act of 1992 (12 U.S.C. 4569).

5 (i) REPORTING REQUIREMENTS.—The Secretary
6 shall provide public reports not less frequently than quar-
7 terly regarding the use of funds provided by the Housing
8 Assistance Funds. Such reports shall include the following
9 data by State or entity receiving funds pursuant to sub-
10 section (j) and by program within each State or entity re-
11 ceiving funds pursuant to subsection (j), both for the past
12 quarter and for the life of the program—

13 (1) the amount of funds allocated;

14 (2) the amount of funds disbursed;

15 (3) the number of households and individuals
16 assisted;

17 (4) the acceptance rate of applicants;

18 (5) the average amount of assistance provided
19 per household receiving assistance;

20 (6) the average length of assistance provided
21 per household receiving assistance;

22 (7) the income ranges of households for each
23 household receiving assistance; and

24 (8) the outcome 12 months after the household
25 has received assistance.

1 (j) TRIBAL SET-ASIDE.—

2 (1) DEFINITIONS.—In this subsection:

3 (A) DEPARTMENT OF HAWAIIAN HOME
4 LANDS.—The term “Department of Hawaiian
5 Home Lands” has the meaning given the term
6 in section 801 of the Native American Housing
7 Assistance and Self-Determination Act of 1996
8 (42 U.S.C. 4221).

9 (B) ELIGIBLE RECIPIENT.—The term “eli-
10 gible recipient” means any entity eligible to re-
11 ceive a grant under section 101 of the Native
12 American Housing Assistance and Self-Deter-
13 mination Act of 1996 (25 U.S.C. 4111).

14 (2) SET-ASIDE.—

15 (A) IN GENERAL.—Notwithstanding any
16 other provision of this section, of the amounts
17 appropriated under subsection (f), the Secretary
18 shall use 5 percent to make grants to eligible
19 recipients for the purposes described in sub-
20 section (e)(1).

21 (B) NATIVE HAWAIIAN SET-ASIDE.—Of the
22 funds set aside under subparagraph (A), the
23 Secretary shall use 0.3 percent to make grants
24 to the Department of Hawaiian Home Lands
25 for the purposes described in subsection (e)(1).

1 (3) REQUIREMENTS.—

2 (A) ALLOCATION.—Except for the funds
3 set aside under paragraph (2)(B), the Secretary
4 shall allocate the funds set aside under para-
5 graph (2)(A) using the allocation formula de-
6 scribed in subpart D of part 1000 of title 24,
7 Code of Federal Regulations (or successor regu-
8 lations).

9 (B) NATIVE HAWAIIANS.—The Secretary
10 shall use the funds made available under para-
11 graph (2)(B) in accordance with part 1006 of
12 title 24, Code of Federal Regulations (or suc-
13 cessor regulations).

14 (4) RESCISSION.—The Secretary shall transfer
15 any funds made available under paragraph (2) that
16 have not been allocated by an eligible recipient or
17 the Department of Hawaiian Home Lands, as appli-
18 cable, to provide the assistance described in sub-
19 section (e)(1) by December 31, 2030, to the Sec-
20 retary of Housing and Urban Development to carry
21 out the Native American Housing Assistance and
22 Self-Determination Act of 1996 (25 U.S.C. 4101 et
23 seq.).