

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

This chapter presents the 2010 Budget for the Department of Housing and Urban Development (HUD). The Administration proposes a Budget that provides the resources necessary to support HUD's core mission to increase access to affordable housing, support homeownership, and strengthen communities. Further, the Budget enables HUD to respond to the economic and housing crisis, as well as provides funding for new initiatives that are necessary to modernize the Department and its programs to meet new challenges.

The Budget reflects the President's pledge to fully fund the Community Development Block Grant program at \$4.5 billion. In addition to this funding level, the Administration will propose legislative reforms to adopt a formula that better targets resources to economically distressed areas; to implement a hold harmless provision to allow communities to adjust under the new formula; and to amend the CDBG statute to establish more rigorous performance measures and accountability standards for formula grantees.

New initiatives are also proposed within CDBG, including \$150 million for the Sustainable Communities Initiative to stimulate more integrated and sophisticated regional planning to guide state, metropolitan, and local decisions and investments to link land use, transportation and housing policy. There is also \$25 million for a Rural Innovation Fund and \$25 million for the University Community Fund.

For the first time, the Budget provides \$1 billion to capitalize a Housing Trust Fund that will help make significant advances in providing affordable housing options for targeted low-income families, thus addressing one of the most serious social and economic problems facing our society.

The 2010 Budget continues to support the greatly expanded efforts of a reformed Federal Housing Administration (FHA) as it continues its modernization efforts. The Department continues to help stabilize our mortgage markets, and new legislation and economic conditions have made the FHA a major source of mortgage financing. The Budget includes \$100 million for the Housing Counseling Assistance program, which is the only dedicated source of Federal funding for the full spectrum of housing counseling services.

In addition, the Administration proposes \$37 million in new funding for its Combating Abusive and Fraudulent Mortgage Practices Initiative. This effort will draw on agency-wide programs, resources, and accounts to combat mortgage fraud and predatory lending practices and provide increased enforcement of mortgage and home purchase settlement requirements. Specific funding increases linked to this Initiative include: (1) \$20 million under the new Transformation Initiative, including information technology for fraud detection, (2) a \$13 million increase for the Fair Housing Initiatives Program (FHIP) and Fair Housing Assistance Program (FHAP); and (3) \$4 million for additional staff in the Offices of Fair Housing and Equal Opportunity, the General Counsel, and Housing to address abusive and fraudulent mortgage practices.

Funding for the Tenant-Based Rental Assistance Program is proposed at \$17.8 billion. With this budget, the Department reaffirms its commitment to improving the Housing Choice Voucher program and enabling Public Housing Authorities (PHAs) to fund vouchers under lease as of the end of 2008, as well as all 2009 incremental vouchers. Legislative and regulatory reforms will be proposed to further improve the program by eliminating inefficiencies.

The Budget includes \$8.1 billion for Project-Based Rental Assistance, of which \$400 million is requested as an advance appropriation to become available in fiscal year 2011. This request is sufficient to renew all contracts for a full 12 months and preserve approximately 1.3 million affordable rental units.

The Budget requests \$4.6 billion to fund 100 percent of PHAs' estimated eligibility for operating subsidies for the first time under the current Operating Fund formula. This request will ensure that PHAs can effectively operate and manage their public housing portfolios. The Capital Fund request, coupled with the program's \$4 billion appropriation in the Recovery Act, is sufficient to cover newly accruing needs and significantly reduce the backlog of unmet needs.

The Administration also requests \$250 million for a new Choice Neighborhoods Initiative, which aims to transform neighborhoods of extreme poverty into functioning, sustainable mixed-income neighborhoods by linking housing improvements with appropriate services, schools, public assets, transportation, and access to jobs. This Initiative will build on the success and lessons learned from the HOPE VI program. Competitive grants will be provided for the transformation and preservation of public and assisted housing, as well as affordable housing and community development in surrounding neighborhoods. The program will also implement rent and work incentives to help public and assisted housing residents access jobs and move to self-sufficiency. HUD will work with other Federal agencies, including the Departments of Education, Transportation, Health and Human Services, and the Environmental Protection Agency, to leverage additional resources.

The Budget proposes \$100 million to create an Energy Innovation Fund that will stimulate and enhance private investment in cost-saving energy efficiency retrofits. The primary focus will be on existing housing, through improved use of Federal Housing Administration (FHA) single family and multifamily mortgage products, as well as providing support for promising local initiatives that can then be replicated across the Nation. Innovative strategies to improve the usefulness of existing HUD programs will lead to significant reductions of energy consumption, operating costs, and carbon footprints of affordable and market-rate housing supported through HUD's programs.

Another major initiative that will both reform and transform the Department as it modernizes is the creation of the Transformation Initiative Fund. Up to one percent of program funding will be transferred to this fund for four complementary purposes: (1) research, evaluation, and program metrics; (2) program demonstrations; (3) information technology, and (4) technical assistance and capacity building. Integrating cross-cutting knowledge and data will produce results while avoiding fraud, waste, and abuse.

The Budget also supports other core programs within HUD. The Budget provides \$1.8 billion for the HOME Investment Partnerships Program. These funds are estimated to result in the production of almost 78,000 additional units of affordable housing through new construction, rehabilitation, and/or acquisition, as well as tenant-based rental assistance for more than 17,000 units.

The Budget provides approximately \$1.8 billion for the Homeless Assistance Grant programs. The continued request for increased funding reflects the documented success in decreasing homelessness through these programs. Furthermore, this requested increase signals the Administration's intent to provide dedicated funding for new supportive housing. The Budget assumes enact-

ment of streamlining legislation that will further improve the impact of the program.

The 2010 Budget continues to support reduction of housing over-crowding in Indian country with \$645 million proposed for Native American Housing Block Grants. The Budget also continues support for Indian community and economic development.

Funding in the 2010 Budget for FHIP and FHAP will continue to strengthen the ability of public and private fair housing groups, and partnerships between them, to enforce the laws protecting all Americans against illegal housing discrimination.

The 2010 Budget includes \$140 million for healthy homes grants and lead hazard reduction grants. The Healthy Homes program will continue to develop and promote integrated approaches to identify and address multiple residential health and safety hazards in a comprehensive, evidence-based, and cost-effective manner. Additionally, the Department will continue its efforts to eliminate lead hazards for children. The number of children who have elevated blood lead levels has been reduced from 890,000 between 1991 and 1994 to an estimated 215,000 in 2008.

To ensure the effective implementation of its programs, the Budget increases core research funding for the Office of Policy Development and Research to restore and enhance various national housing surveys, provide research and analysis of national housing and economic conditions, and evaluate the performance of programs.

In response to a series of national economic, social, environmental and energy challenges that require a firm and expansive housing role, there is a need for a strong and vital housing agency. This Budget begins to transform HUD into a stronger and more vital housing agency, including (i) preserving and improving FHA as a key component to addressing the nation's housing and economic crisis; (ii) restoring federal leadership in promoting affordable rental housing; (iii) investing strategically in metropolitan and rural communities; (iv) driving energy efficient housing and inclusive, sustainable growth; and (v) transforming the way that HUD does business.

PUBLIC AND INDIAN HOUSING PROGRAMS

Federal Funds

PREVENTION OF RESIDENT DISPLACEMENT

Program and Financing (in millions of dollars)

Identification code 86-0311-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Katrina Disaster	4		
10.00 Total new obligations (object class 41.0)	4		
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3	1	1
22.10 Resources available from recoveries of prior year obligations	2		
23.90 Total budgetary resources available for obligation	5	1	1
23.95 Total new obligations	-4		
24.40 Unobligated balance carried forward, end of year	1	1	1
Change in obligated balances:			
72.40 Obligated balance, start of year	2		
73.10 Total new obligations	4		
73.20 Total outlays (gross)	-4		
73.45 Recoveries of prior year obligations	-2		
74.40 Obligated balance, end of year			
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	4		

Net budget authority and outlays:	
89.00 Budget authority	4
90.00 Outlays	

Following Hurricane Katrina, approximately 36,799 displaced families were assisted through this account. HUD received \$79 million in 2005 from a FEMA mission assignment to provide housing assistance to these families who were previously HUD-assisted or who were homeless. An additional supplemental appropriation of \$390 million pursuant to P.L. 109-148 continues to provide assistance to these families. Over the past three and a half years, most of these families have transitioned to other HUD-funded permanent supportive housing programs. As of February 2009, only 1,145 families remained in this program. HUD expects these families to transition to the Tenant-Based Rental Assistance (Housing Choice Voucher) program.

TENANT-BASED RENTAL ASSISTANCE
[(INCLUDING TRANSFER OF FUNDS)]

For activities and assistance for the provision of tenant-based rental assistance authorized under the United States Housing Act of 1937, as amended (42 U.S.C. 1437 et seq.) ("the Act" herein), not otherwise provided for, **[\$16,817,000,000]** \$13,836,000,000, to remain available until expended, [of which \$12,817,000,000] shall be available on October 1, **[2008]** 2009 (in addition to the \$4,000,000,000 previously appropriated under this heading that will become available on October 1, 2009), and \$4,000,000,000, to remain available until expended, shall be available on October 1, **[2009]** 2010: *Provided*, That of the amounts made available under this heading [are provided as follows:]

[(1) \$15,034,071,000] \$16,189,200,000 shall be available for renewals of expiring section 8 tenant-based annual contributions contracts (including renewals of enhanced vouchers under any provision of law authorizing such assistance under section 8(t) of the Act) and including renewal of other [designated housing] special purpose vouchers initially funded in fiscal year 2008 and 2009 (such as Family Unification, Veterans Affairs Supportive Housing Vouchers and Non-elderly Disabled Vouchers): *Provided*, That notwithstanding any other provision of law, from amounts provided under this paragraph and any carryover, the Secretary for the calendar year **[2009]** 2010 funding cycle shall provide renewal funding for each public housing agency based on voucher management system (VMS) leasing and cost data for [the most recent Federal fiscal year] calendar year 2009 and by applying [the 2009] the most recent Annual Adjustment Factor as established by the Secretary, and by making any necessary adjustments for the costs associated with deposits to family self-sufficiency program escrow accounts or first-time renewals including tenant protection or HOPE VI vouchers: *Provided further*, That if VMS data for calendar year 2009 is incomplete, the Secretary may make adjustments as necessary until such data is verifiable and complete: *Provided further*, [That none of the funds provided under this paragraph may be used to fund a total number of unit months under lease which exceeds a public housing agency's authorized level of units under contract:] That the Secretary may offset public housing agencies' calendar year 2010 allocations based on amounts in public housing agencies' net restricted assets accounts (in accordance with VMS data that is complete and verifiable): *Provided further*, That in no instance shall amounts offset leave less than two weeks of a public housing agency's 2010 calendar year eligibility amount in the net restricted asset account: *Provided further*, That amounts from the offset shall be reallocated, notwithstanding section 204 of the General Provisions of this title, to high performing public housing agencies or based on need, as determined by the Secretary: *Provided further*, That the Secretary shall, to the extent necessary to stay within the amount specified under this paragraph [(except as otherwise modified under this Act)], pro rate each public housing agency's allocation otherwise established pursuant to this paragraph: *Provided further*, That [except as provided in the last two provisos,] the entire amount specified under this paragraph [(except as otherwise modified under this Act)] shall be obligated to the public housing agencies based on the allocation and

pro rata method described above, and the Secretary shall notify public housing agencies of their annual budget not later than 60 days after enactment of this Act: *Provided further*, That the Secretary may extend the 60-day notification period with [the] prior written [approval of] notice to the House and Senate Committees on Appropriations: *Provided further*, That public housing agencies participating in the Moving to Work demonstration shall be funded pursuant to their Moving to Work agreements and shall be subject to the same pro rata adjustments under the previous provisos: *Provided further*, That up to [\$100,000,000] \$150,000,000 shall be available only: (1) to adjust the allocations for public housing agencies, after application for an adjustment by a public housing agency that experienced a significant increase, as determined by the Secretary, in renewal costs of tenant-based rental assistance resulting from unforeseen circumstances or from portability under section 8(r) of the Act; (2) [for adjustments for public housing agencies with voucher leasing rates at the end of the calendar year that exceed the average leasing for the 12-month period used to establish the allocation; (3)] for adjustments for the costs associated with VASH vouchers; [and] or ([4] 3) for vouchers that were not in use during the 12-month period in order to be available to meet a commitment pursuant to section 8(o)(13) of the Act [.] ;

[(2) \$150,000,000] \$103,000,000 shall be for section 8 rental assistance for relocation and replacement of housing units that are demolished or disposed of pursuant to the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104-134), conversion of section 23 projects to assistance under section 8, the family unification program under section 8(x) of the Act, relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency, enhanced vouchers under any provision of law authorizing such assistance under section 8(t) of the Act, HOPE VI vouchers, mandatory and voluntary conversions, and tenant protection assistance including replacement and relocation assistance or for project based assistance to prevent the displacement of unassisted elderly tenants currently residing in section 202 properties financed between 1959 and 1974 that are refinanced pursuant to Public Law 106-569, as amended, or under the authority as provided under this Act: *Provided*, That the Secretary [shall] may provide replacement vouchers for all units that were occupied within the previous 24 months that cease to be available as assisted housing, subject [only] to the availability of funds [.] ;

[(3) Not to exceed \$7,929,000 provided under this heading may be transferred to the Working Capital Fund: *Provided*, That funding made available under this section shall not be transferred to the Working Capital Fund until the voucher management system leasing and cost data is made available to the public on the Department of Housing and Urban Development website.]

[(4) \$1,500,000,000] \$1,493,800,000 shall be for administrative and other expenses of public housing agencies in administering the section 8 tenant-based rental assistance program, [and] of which up to \$50,000,000 shall be available to the Secretary to allocate to public housing agencies that need additional funds to administer their section 8 programs, including fees associated with section 8 tenant protection rental assistance, the administration of disaster related vouchers, Veterans Affairs Supportive Housing vouchers, and other incremental vouchers: *Provided*, That no less than [\$1,400,000,000] \$1,443,800,000 of the amount provided in this paragraph shall be allocated to public housing agencies for the calendar year [2009] 2010 funding cycle based on section 8(q) of the Act (and related Appropriation Act provisions) as in effect immediately before the enactment of the Quality Housing and Work Responsibility Act of 1998 (Public Law 105-276): *Provided further*, That if the amounts made available under this paragraph are insufficient to pay the amounts determined under the previous proviso, the Secretary may decrease the amounts allocated to agencies by a uniform percentage applicable to all agencies receiving funding under this paragraph or may, to the extent necessary to provide full payment of amounts determined under the previous proviso, utilize unobligated balances, including recaptures and carryovers, remaining from funds appropriated to the Department of Housing and Urban Development under this heading, for fiscal year [2008] 2009 and prior fiscal years, notwithstanding the purposes for which such amounts were appropriated: *Provided further*, That amounts provided under this paragraph shall be only for activities related to the provision of tenant-based

rental assistance authorized under section 8, including related development activities [.: *Provided further*, That of the total amount provided under this paragraph, \$50,000,000 shall be made available for family self-sufficiency coordinators under section 23 of the Act.];and

[(5) \$20,000,000 for incremental voucher assistance through the Family Unification Program: *Provided*, That the assistance made available under this paragraph shall continue to remain available for family unification upon turnover: *Provided further*, That the Secretary of Housing and Urban Development shall make such funding available, notwithstanding section 204 (competition provision) of this title, to entities with demonstrated experience and resources for supportive services.]

[(6) \$75,000,000 for incremental rental voucher assistance for use through a supported housing program administered in conjunction with the Department of Veterans Affairs as authorized under section 8(o)(19) of the United States Housing Act of 1937: *Provided*, That the Secretary of Housing and Urban Development shall make such funding available, notwithstanding section 204 (competition provision) of this title, to public housing agencies that partner with eligible VA Medical Centers or other entities as designated by the Secretary of the Department of Veterans Affairs, based on geographical need for such assistance as identified by the Secretary of the Department of Veterans Affairs, public housing agency administrative performance, and other factors as specified by the Secretary of Housing and Urban Development in consultation with the Secretary of the Department of Veterans Affairs: *Provided further*, That the Secretary of Housing and Urban Development may waive, or specify alternative requirements for (in consultation with the Secretary of the Department of Veterans Affairs), any provision of any statute or regulation that the Secretary of Housing and Urban Development administers in connection with the use of funds made available under this paragraph (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a finding by the Secretary that any such waivers or alternative requirements are necessary for the effective delivery and administration of such voucher assistance: *Provided further*, That assistance made available under this paragraph shall continue to remain available for homeless veterans upon turn-over.]

[(7) \$30,000,000 for incremental vouchers under section 8 of the Act for nonelderly disabled families: *Provided*, That assistance made available under this paragraph shall continue to remain available for the same population upon turnover: *Provided further*, That the Secretary of Housing and Urban Development shall make such funding available, notwithstanding section 204 (competition provision) of this title, to entities with demonstrated experience and resources for supportive services] \$50,000,000 shall be for family self-sufficiency coordinators under section 23 of the Act. (Department of Housing and Urban Development Appropriations Act, 2009.)

Program and Financing (in millions of dollars)

Identification code 86-0302-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Tenant Protection	140	250	103
00.02 Administrative Fees	1,316	1,504	1,494
00.03 Family Self Sufficiency Coordinators	48	99	50
00.06 Contract Renewals	13,975	14,458	16,189
00.08 Veterans Affairs Supportive Housing Vouchers	73	77	.....
00.09 Family Unification Program Vouchers .....	.....	40	.....
00.10 Nonelderly Disabled Vouchers .....	.....	60	.....
00.11 Disaster Displacement Assistance .....	.....	85	.....
10.00 Total new obligations (object class 41.0)	15,552	16,573	17,836
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	350	356	.....
22.00 New budget authority (gross)	15,555	16,217	17,836
22.10 Resources available from recoveries of prior year obligations ...	3	.....	.....
23.90 Total budgetary resources available for obligation	15,908	16,573	17,836
23.95 Total new obligations	-15,552	-16,573	-17,836
24.40 Unobligated balance carried forward, end of year	356	.....	.....
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	12,318	12,817	13,836

TENANT BASED RENTAL ASSISTANCE—Continued
Program and Financing —Continued

Identification code 86-0302-0-1-604		2008 actual	2009 est.	2010 est.
40.36	Unobligated balance permanently reduced	-227	.....	.....
41.00	Transferred to other accounts	-6	-8	.....
43.00	Appropriation (total discretionary)	12,085	12,809	13,836
55.00	Advance appropriation	4,193	4,158	4,000
55.35	Advance appropriation permanently reduced	-723	-750	.....
55.90	Advance appropriation (total discretionary)	3,470	3,408	4,000
70.00	Total new budget authority (gross)	15,555	16,217	17,836
Change in obligated balances:				
72.40	Obligated balance, start of year	1,563	1,371	1,792
73.10	Total new obligations	15,552	16,573	17,836
73.20	Total outlays (gross)	-15,741	-16,152	-17,764
73.45	Recoveries of prior year obligations	-3	.....	.....
74.40	Obligated balance, end of year	1,371	1,792	1,864
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	14,131	15,320	16,867
86.93	Outlays from discretionary balances	1,610	832	897
87.00	Total outlays (gross)	15,741	16,152	17,764
Net budget authority and outlays:				
89.00	Budget authority	15,555	16,217	17,836
90.00	Outlays	15,741	16,152	17,764

The Tenant-Based Rental Assistance Program (also known as the Housing Choice Voucher program) provides housing assistance to approximately 2 million extremely low- to low-income families to rent in the neighborhoods of their choice. This is the Federal government's largest and most income-targeted program for assisting low-income families to rent decent, safe and sanitary housing in the private market. The program includes a set-aside for tenant-protection vouchers, which are provided when certain actions occur, such as public housing demolition or disposition, or when landlords opt out of Project-Based Section 8 contracts. About 2,400 state and local Public Housing Authorities (PHAs) administer the Voucher program.

With this Budget, the Department reaffirms its commitment to improving the Housing Choice Voucher program by enabling PHAs to maximize the number of families assisted. The level of funding requested in this Budget will allow PHAs to fund vouchers under lease as of the end of 2008, as well as new vouchers awarded in 2009. By the end of 2010, the Department expects to help over 2.1 million families through this program. This is over 100,000 more families than were assisted at the end of 2008, and represents the largest number of families ever assisted by this program.

In addition, the Administration proposes to: (1) Propose legislation that would reform the program to be less administratively burdensome, and provide the appropriate incentives and accountability measures to maximize assistance; (2) Revise the main regulations (24 CFR 982) that govern the Voucher program, including improving the Housing Quality Standards and develop a new methodology for evaluating the PHA inspection process; (3) Implement an improved Section 8 Management Assessment Program (24 CFR 985) that will ensure strengthened oversight, quality control, and performance metrics for the Voucher program; (4) Design a comprehensive development strategy to improve HUD IT systems to better manage and administer the Voucher program; (5) Continue the study to develop a formula to allocate administrative fees based on the cost of an efficiently managed PHA operating the Voucher program; and (6) Eliminate the unit

cap restriction imposed by past Appropriations Acts on the number of families that each PHA may serve.

HOUSING CERTIFICATE FUND

【Of the unobligated】 *Unobligated* balances, including recaptures and carryover, remaining from funds appropriated to the Department of Housing and Urban Development under this heading, the heading "Annual Contributions for Assisted Housing" and the heading "Project-Based Rental Assistance", for fiscal year 【2009】 2010 and prior years may be used for renewal of or amendments to section 8 project-based contracts and for performance-based contract administrators, notwithstanding the purposes for which such funds were appropriated: *Provided*, That any obligated balances of contract authority from fiscal year 1974 and prior that have been terminated shall be *permanently* cancelled. (*Department of Housing and Urban Development Appropriations Act, 2009.*)

Program and Financing (in millions of dollars)

Identification code 86-0319-0-1-604		2008 actual	2009 est.	2010 est.
Obligations by program activity:				
00.01	Contract renewals	175	29	.....
00.05	Section 8 Amendments	243	313	164
00.11	Administrative Fees	7	1	.....
10.00	Total new obligations (object class 41.0)	425	343	164
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	467	37	.....
22.00	New budget authority (gross)	-282	.....	.....
22.10	Resources available from recoveries of prior year obligations	296	306	164
22.75	Balance of contract authority withdrawn	-19	.....	.....
23.90	Total budgetary resources available for obligation	462	343	164
23.95	Total new obligations	-425	-343	-164
24.40	Unobligated balance carried forward, end of year	37	.....	.....
New budget authority (gross), detail:				
Discretionary:				
40.36	Unobligated balance permanently reduced	-282	.....	.....
Mandatory:				
60.00	Appropriation	6,500	3,000	413
60.49	Portion applied to liquidate contract authority	-6,500	-3,000	-413
62.50	Appropriation (total mandatory) .....	.....	.....	.....
70.00	Total new budget authority (gross)	-282	.....	.....
Change in obligated balances:				
72.40	Obligated balance, start of year	9,809	7,291	5,792
73.10	Total new obligations	425	343	164
73.20	Total outlays (gross)	-2,647	-1,536	-1,220
73.45	Recoveries of prior year obligations	-296	-306	-164
74.40	Obligated balance, end of year	7,291	5,792	4,572
Outlays (gross), detail:				
86.93	Outlays from discretionary balances	2,647	1,536	1,220
Net budget authority and outlays:				
89.00	Budget authority	-282	.....	.....
90.00	Outlays	2,647	1,536	1,220
Memorandum (non-add) entries:				
93.01	Unobligated balance, start of year: Contract authority	123	.....	.....
93.03	Obligated balance, start of year: Contract authority	9,809	3,413	413
93.04	Obligated balance, end of year: Contract authority	3,413	413	.....

The Housing Certificate Fund, until 2005, provided funding to both the project-based and tenant-based components of the Section 8 program. Project-based Rental Assistance and Tenant-based Rental Assistance are now separately funded accounts. The Housing Certificate Fund retains and recovers balances from previous years' appropriations.

PROJECT-BASED RENTAL ASSISTANCE

[(INCLUDING TRANSFER OF FUNDS)]

For activities and assistance for the provision of project-based subsidy contracts under the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) ("the Act"), not otherwise provided for, [\$7,100,000,000] \$7,700,000,000, to remain available until expended, shall be available on October 1, [2008] 2009, and \$400,000,000, to remain available until expended, shall be available on October 1, [2009] 2010: *Provided*, That the amounts made available under this heading are provided as follows:

(1) [\$6,868,000,000] *Up to \$7,868,000,000* shall be available for expiring or terminating section 8 project-based subsidy contracts (including section 8 moderate rehabilitation contracts), for amendments to section 8 project-based subsidy contracts (including section 8 moderate rehabilitation contracts), for contracts entered into pursuant to section 441 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11401), for renewal of section 8 contracts for units in projects that are subject to approved plans of action under the Emergency Low Income Housing Preservation Act of 1987 or the Low-Income Housing Preservation and Resident Homeownership Act of 1990, and for administrative and other expenses associated with project-based activities and assistance funded under this paragraph.

(2) [*Up to*] *Not less than \$232,000,000 but not to exceed \$258,000,000* shall be available for performance-based contract administrators for section 8 project-based assistance: *Provided*, That the Secretary of Housing and Urban Development may also use such amounts for performance-based contract administrators for the administration of: interest reduction payments pursuant to section 236(a) of the National Housing Act (12 U.S.C. 1715z-1(a)); rent supplement payments pursuant to section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s); section 236(f)(2) rental assistance payments (12 U.S.C. 1715z-1(f)(2)); project rental assistance contracts for the elderly under section 202(c)(2) of the Housing Act of 1959 (12 U.S.C. 1701q); project rental assistance contracts for supportive housing for persons with disabilities under section 811(d)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(d)(2)); project assistance contracts pursuant to section 202(h) of the Housing Act of 1959 (Public Law 86-372; 73 Stat. 667); and loans under section 202 of the Housing Act of 1959 (Public Law 86-372; 73 Stat. 667).

[(3) Not to exceed \$10,000,000 provided under this heading may be transferred to the Working Capital Fund.]

[(4)] (3) Amounts recaptured under this heading, the heading "Annual Contributions for Assisted Housing", or the heading "Housing Certificate Fund" may be used for renewals of or amendments to section 8 project-based contracts or for performance-based contract administrators, notwithstanding the purposes for which such amounts were appropriated. (*Department of Housing and Urban Development Appropriations Act, 2009.*)

Program and Financing (in millions of dollars)

Identification code 86-0303-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Contract Renewals	6,340	6,737	7,398
00.02 Contract Renewals (Recovery Act)		2,000	
00.03 Section 8 Amendments		302	460
00.04 Contract Administrators	239	222	232
00.05 Vouchers for Disaster Relief		50	
00.06 Tenant Information and Outreach			10
10.00 Total new obligations (object class 41.0)	6,579	9,311	8,100
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	384	221	
22.00 New budget authority (gross)	6,223	9,090	8,100
22.10 Resources available from recoveries of prior year obligations ...	193		
23.90 Total budgetary resources available for obligation	6,800	9,311	8,100
23.95 Total new obligations	-6,579	-9,311	-8,100
24.40 Unobligated balance carried forward, end of year	221		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	6,432	7,100	7,700
40.36 Unobligated balance permanently reduced	-205		

41.00	Transferred to other accounts	-4	-10	
42.00	Transferred from other accounts		2,000	
43.00	Appropriation (total discretionary)	6,223	9,090	7,700
55.00	Advance appropriation			400
70.00	Total new budget authority (gross)	6,223	9,090	8,100
Change in obligated balances:				
72.40	Obligated balance, start of year	2,694	3,000	4,805
73.10	Total new obligations	6,579	9,311	8,100
73.20	Total outlays (gross)	-6,080	-7,506	-8,152
73.45	Recoveries of prior year obligations	-193		
74.40	Obligated balance, end of year	3,000	4,805	4,753
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	2,347	4,545	3,440
86.93	Outlays from discretionary balances	3,733	2,961	4,712
87.00	Total outlays (gross)	6,080	7,506	8,152
Net budget authority and outlays:				
89.00	Budget authority	6,223	9,090	8,100
90.00	Outlays	6,080	7,506	8,152

The Budget requests \$8.1 billion for project-based rental assistance, of which \$400 million is requested as an advance appropriation to become available in 2011. These funds are sufficient to renew all contracts for a full 12 months.

The Project-Based Rental Assistance program assists approximately 1.3 million low- and very low-income households in obtaining decent, safe, and sanitary housing in private accommodations. Project-based rental assistance serves families, elderly households and disabled households and provides transitional housing for the homeless. Through this funding, HUD supports approximately 18,000 contracts with private owners of multifamily rental housing to provide housing for low- and very low-income families. This funding pays the difference between what a household can afford, generally 30 percent of its eligible income, and the approved market-based rent for a housing unit. Program activities include the following:

Contract Renewals and Amendments. — This set-aside provides funding for HUD to renew expiring lease contracts. Currently, around 80 percent of the contracts are renewed annually; the other 20 percent are long-term contracts funded with previous appropriations. These funds go directly to the housing costs of low- and very low-income families in the program. Also, funding amendments to a Section 8 contract are required to maintain the project until its contract expiration date if actual costs incurred exceed the amount of budget authority originally obligated for the project. These additional costs are funded in part by utilizing recoveries of excess balances remaining on expired Section 8 contracts that utilized less than anticipated resources to complete the contract. The Budget requests up to \$7.9 billion for contract renewals and amendments.

Contract Administrators. — This set-aside funds the local level administration of this program through HUD contracts with performance-based contract administrators. These entities, which are typically public housing authorities or state housing finance agencies, are responsible for conducting on-site management reviews of assisted properties; adjusting contract rents; reviewing, processing, and paying monthly vouchers submitted by owners; renewing contracts with property owners; and responding to health and safety issues at properties. For 2010, up to \$258 million is requested for this set-aside.

Tenant Resources, Information and Outreach Activities. — The Department may transfer up to \$10 million for tenant resources, information and outreach grants. These grants will provide financial assistance to tenant groups, nonprofit organizations, and public entities for building the capacity of tenant organizations

PROJECT-BASED RENTAL ASSISTANCE—Continued

and furthering the purposes of the Mark-to-Market program, including preservation of low-income housing and tenant services. The authority to transfer these funds is provided under Section 514(f) of the Multifamily Assisted Housing Reform and Affordability Act (MAHRA) of 1997 (42 U.S.C. 1437f note).

PUBLIC HOUSING CAPITAL FUND
[(INCLUDING TRANSFER OF FUNDS)]

For the Public Housing Capital Fund Program to carry out capital and management activities for public housing agencies, as authorized under section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g) (the "Act") [\$2,450,000,000] \$2,244,000,000, to remain available until September 30, [2012] 2013: *Provided*, That notwithstanding any other provision of law or regulation, during fiscal year [2009] 2010 the Secretary of Housing and Urban Development may not delegate to any Department official other than the Deputy Secretary and the Assistant Secretary for Public and Indian Housing any authority under paragraph (2) of section 9(j) regarding the extension of the time periods under such section: *Provided further*, That for purposes of such section 9(j), the term "obligate" means, with respect to amounts, that the amounts are subject to a binding agreement that will result in outlays, immediately or in the future: *Provided further*, That [of the total amount provided under this heading, up to \$10,000,000 shall be for carrying out activities under section 9(h) of such Act; not to exceed \$14,577,000 may be transferred to the Working Capital Fund; and] up to \$15,345,000 shall be to support the ongoing Public Housing Financial and Physical Assessment activities of the Real Estate Assessment Center (REAC): *Provided further*, That no funds may be used under this heading for the purposes specified in section 9(k) of the Act: *Provided further*, That of the total amount provided under this heading, not to exceed \$20,000,000 shall be available for the Secretary to make grants, notwithstanding section 204 of this Act, to public housing agencies for emergency capital needs including safety and security measures necessary to address crime and drug-related activity as well as needs resulting from unforeseen or unpreventable emergencies and natural disasters excluding Presidentially declared emergencies and natural disasters under the Robert T. Stafford Disaster Relief and Emergency Act (42 U.S.C. 5121 et seq.) occurring in fiscal year [2009: *Provided further*, That of the total amount provided under this heading, \$40,000,000 shall be for supportive services, service coordinators and congregate services as authorized by section 34 of the Act (42 U.S.C. 1437z-6) and the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.)] 2010: *Provided further*, That of the total amount provided under this heading up to \$8,820,000 is to support the costs of administrative and judicial receiverships: *Provided further*, That from the funds made available under this heading, the Secretary shall provide bonus awards in fiscal year [2009] 2010 to public housing agencies that are designated high performers. (*Department of Housing and Urban Development Appropriations Act, 2009.*)

Program and Financing (in millions of dollars)

Identification code 86-0304-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Capital Grants	2,361	2,369	2,200
00.02 Modernization Technical Assistance	20	16	.....
00.03 Emergency/Disaster Reserve	15	40	20
00.04 Neighborhood Networks	3	2	.....
00.05 Neighborhood Networks Technical Assistance	6	.....	.....
00.06 Resident Opportunities and Supportive Services	62	80	.....
00.07 Administrative Receivership	10	12	9
00.08 Financial and Physical Assessment Support	5	25	15
00.09 Hurricane Katrina and Rita Development	15	.....	.....
00.11 Recovery Act .....	.....	3,984	.....
10.00 Total new obligations (object class 41.0)	2,497	6,528	2,244
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	160	93	1
22.00 New budget authority (gross)	2,423	6,436	2,244
22.10 Resources available from recoveries of prior year obligations ...	15	.....	.....

22.75	Balance of contract authority withdrawn	-5	.....	.....
23.90	Total budgetary resources available for obligation	2,593	6,529	2,245
23.95	Total new obligations	-2,497	-6,528	-2,244
23.98	Unobligated balance expiring or withdrawn	-3	.....	.....
24.40	Unobligated balance carried forward, end of year	93	1	1
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	2,454	2,450	2,244
40.01	Appropriation, Recovery Act .....	.....	4,000	.....
40.36	Unobligated balance permanently reduced	-14	.....	.....
41.00	Transferred to other accounts	-17	-14	.....
43.00	Appropriation (total discretionary)	2,423	6,436	2,244
Mandatory:				
60.00	Appropriation	1,000	571	.....
60.49	Portion applied to liquidate contract authority	-1,000	-571	.....
62.50	Appropriation (total mandatory) .....	.....	.....	.....
70.00	Total new budget authority (gross)	2,423	6,436	2,244
Change in obligated balances:				
72.40	Obligated balance, start of year	7,887	7,468	10,957
73.10	Total new obligations	2,497	6,528	2,244
73.20	Total outlays (gross)	-2,895	-3,039	-4,251
73.40	Adjustments in expired accounts (net)	-6	.....	.....
73.45	Recoveries of prior year obligations	-15	.....	.....
74.40	Obligated balance, end of year	7,468	10,957	8,950
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	69	469	66
86.93	Outlays from discretionary balances	2,826	2,570	4,185
87.00	Total outlays (gross)	2,895	3,039	4,251
Net budget authority and outlays:				
89.00	Budget authority	2,423	6,436	2,244
90.00	Outlays	2,895	3,039	4,251
Memorandum (non-add) entries:				
93.03	Obligated balance, start of year: Contract authority	1,576	571	.....
93.04	Obligated balance, end of year: Contract authority	571	.....	.....

The Public Housing Capital Fund, a formula-driven program based on estimated need, is designed to respond to the capital and management improvement requirements of public housing. The program protects and enhances a valuable affordable housing resource, which serves approximately 1.1 million families with limited income. Of those families, 31 percent are elderly and 27 percent are disabled.

Of the \$2.24 billion requested for this program, approximately \$2.19 billion will cover annual accrual needs. Other uses include up to \$15 million for public housing financial and physical assessment support, up to \$20 million for emergencies and disasters, and up to \$9 million for administrative and judicial receiverships.

Since the last capital needs study in 1998, the backlog of capital needs for public housing is estimated to have been reduced through the demolition of more than 160,000 of the most distressed public housing units as well as the modernization and redevelopment of several hundred thousand units. A mandatory conversion rule has been implemented that will greatly accelerate the demolition of units beyond repair. In 2008, 84.5 percent of housing units met HUD's physical standards, compared to 82 percent in 2001.

The American Recovery and Reinvestment Act of 2009 (P.L. 111-5) provided \$4 billion for the Public Housing Capital Fund. HUD has already awarded nearly \$3 billion by formula that will help reduce the backlog of capital needs and will award the remaining \$1 billion by competition this year for energy efficient, green communities and other priority investments.

PUBLIC HOUSING OPERATING FUND

For [2009] 2010 payments to public housing agencies for the operation and management of public housing, as authorized by section 9(e) of the United States Housing Act of 1937 (42 U.S.C. 1437g(e)), [\$4,455,000,000] \$4,600,000,000; of which \$5,940,000 shall be for competitive grants and contracts to third parties for the provision of technical assistance to public housing agencies related to the transition and implementation of asset-based management in public housing: *Provided*, That, in fiscal year 2009 and all fiscal years hereafter, no amounts under this heading in any appropriations Act may be used for payments to public housing agencies for the costs of operation and management of public housing for any year prior to the current year of such Act: *Provided further*, That no funds may be used under this heading for the purposes specified in section 9(k) of the United States Housing Act of 1937. (Department of Housing and Urban Development Appropriations Act, 2009.)

Program and Financing (in millions of dollars)

Identification code 86-0163-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Operating Subsidy	4,194	4,449	4,600
00.02 Transition to asset management	6	6	.....
10.00 Total new obligations (object class 41.0)	4,200	4,455	4,600
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	4,200	4,455	4,600
23.95 Total new obligations	-4,200	-4,455	-4,600
24.40 Unobligated balance carried forward, end of year .....	.....	.....	.....
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	4,200	4,455	4,600
Change in obligated balances:			
72.40 Obligated balance, start of year	1,096	1,183	1,247
72.45 Adjustment to obligated balance, start of year	1	.....	.....
73.10 Total new obligations	4,200	4,455	4,600
73.20 Total outlays (gross)	-4,113	-4,391	-4,559
73.40 Adjustments in expired accounts (net)	-1	.....	.....
74.40 Obligated balance, end of year	1,183	1,247	1,288
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	3,022	3,208	3,312
86.93 Outlays from discretionary balances	1,091	1,183	1,247
87.00 Total outlays (gross)	4,113	4,391	4,559
Net budget authority and outlays:			
89.00 Budget authority	4,200	4,455	4,600
90.00 Outlays	4,113	4,391	4,559

The Budget request of \$4.6 billion will for the first time fund 100 percent of Public Housing Authorities' (PHAs) estimated eligibility for operating subsidies under the current Operating Fund formula.

Operating subsidies are provided to PHAs to assist in funding the operation and maintenance expenses of public housing units in accordance with Section 9(e) of the United States Housing Act of 1937, as amended. The following tables display the sources of PHAs' revenue and expenditures by category and are based on 2007 and 2008 data reported by PHAs to HUD.

Sources of PHAs' Operating Revenue

(in millions of dollars)		
Category	Annual income	Percent of total
Operating Subsidies	\$3,461	54%
Dwelling Rental	2,436	38%
Investment	192	3%
Other Income	321	5%
Total, Operating Revenue	6,410	100%

Operating Subsidies.—Represent HUD's contributions to a PHA's operating budget. Under the current formula-based approach, HUD sets a formula-determined allowable expense level (AEL) for each PHA and separately computes utility and audit costs. The PHA's dwelling rental income is also projected and the subsidy is the difference between the projected AEL, utility, and audit expenses and projected dwelling rental income. AEL is not based on actual cost data from PHAs. HUD, after consultation with PHAs, adopted a new operating subsidy formula in 2007 based on the congressionally sanctioned cost study conducted by the Harvard Graduate School of Design.

Dwelling Rental.—Income derived from tenants' rents.

Investment Income.—Income from interest earned on general fund investments.

Other Income.—Includes income from other sources such as renting rooftop space for signs or broadcasting, and from operating services for tenants, such as laundromats or day care centers.

Operating Revenue.—Excludes \$455 million of transfers into the program, as well as "Mortgage Interest Income," "Proceeds from Disposition of Assets Held for Sale," "Cost of Sale of Assets," "Other Government Grant Revenue," and "Gain or Loss on Sale of Fixed Assets," totaling approximately \$62.3 million.

PHAs' Operating Expenditures

(in millions of dollars)		
Category	Annual expenditures	Percent of total
Utilities	\$1,509	24%
Administration	1,752	28%
General Operating Expenses	521	8%
Maintenance	2,130	34%
Tenant Services	210	3%
Protective Services	160	3%
Total, Operating Expenses	6,282	100%

Utilities.—Includes water, sewer, electricity, gas, and fuel.

Administration.—Includes administrative salaries, legal expenses, staff training, travel, accounting fees, auditing fees, sundry, and outside management costs.

General Operating Expenses.—Includes insurance, payments made to local governments in lieu of taxes, terminal leave payments, employees benefit contributions, collection losses, interest on administrative and sundry notes, and other general expenses.

Ordinary Maintenance and Operations.—Consists of expenses for labor, materials, contracts and garbage fees associated with the day-to-day operation of the public housing authority.

Tenant Services.—Covers salaries, recreation, publication, contract costs, training, and other expenses.

Protective Services.—Includes expenses for labor, materials, and contract costs.

DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING

Program and Financing (in millions of dollars)

Identification code 86-0197-0-1-604	2008 actual	2009 est.	2010 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1	.....	.....
22.00 New budget authority (gross)	-1	.....	.....
23.90 Total budgetary resources available for obligation .....	.....	.....	.....
24.40 Unobligated balance carried forward, end of year .....	.....	.....	.....
New budget authority (gross), detail:			
Discretionary:			
40.36 Unobligated balance permanently reduced	-1	.....	.....

DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING—Continued

Program and Financing —Continued

Identification code 86-0197-0-1-604	2008 actual	2009 est.	2010 est.
Change in obligated balances:			
72.40 Obligated balance, start of year	1	1	1
74.40 Obligated balance, end of year	1	1	1
Net budget authority and outlays:			
89.00 Budget authority	-1		
90.00 Outlays			

The Public Housing Drug Elimination Grants program was terminated in the 2002 Budget — no new appropriations have been provided since 2001.

CHOICE NEIGHBORHOODS

For competitive grants under the Choice Neighborhoods Initiative for transformation, rehabilitation and replacement housing needs of both public and HUD-assisted housing and to transform neighborhoods of extreme poverty into functioning, sustainable mixed income neighborhoods with appropriate services, schools, public assets, transportation and access to jobs, \$250,000,000, to remain available until expended: Provided, That grant funds may be used for resident and community services, community development and affordable housing needs in the community, and for conversion of vacant or foreclosed properties to affordable housing: Provided further, That grantees shall undertake comprehensive local planning with input from residents and the community, and that grantees shall provide a match in state, local, other Federal or private funds: Provided further, That grantees may include local governments, public housing authorities, nonprofits and for-profit developers, and that such grantees shall create partnerships with other local organizations including assisted housing owners, service agencies and resident organizations: Provided further, That the Secretary shall consult with the Secretaries of Education, Labor, Transportation, Health and Human Services, Agriculture, and Commerce and the Administrator of the Environmental Protection Agency to coordinate and leverage other appropriate federal resources: Provided further, That no more than ten percent of funds made available under this heading may be provided for planning grants to assist communities in developing comprehensive strategies for implementing this program in conjunction with community notice and input: Provided further, That the Secretary shall develop and publish guidelines for the use of such competitive funds, including but not limited to eligible activities, program requirements, and performance metrics.

Program and Financing (in millions of dollars)

Identification code 86-0349-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Grants			250
10.00 Total new obligations (object class 41.0)			250
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			250
23.95 Total new obligations			-250
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			250
Change in obligated balances:			
73.10 Total new obligations			250
73.20 Total outlays (gross)			-7
74.40 Obligated balance, end of year			243
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			7

Net budget authority and outlays:

89.00 Budget authority	250
90.00 Outlays	7

The Choice Neighborhoods Initiative will provide \$250 million in competitive grants to transform neighborhoods of extreme poverty into functioning, sustainable mixed-income neighborhoods with appropriate services, schools, public assets, transportation and access to jobs. The goal of the program is to demonstrate that concentrated and coordinated neighborhood investments from multiple sources can transform a distressed neighborhood and improve the quality of life of current and future residents.

Choice Neighborhoods grants will primarily fund the preservation, rehabilitation and transformation of public and HUD-assisted housing. The program builds on the successes of public housing transformation under HOPE VI with a broader approach to concentrated poverty. Grantees will include not only public housing authorities but also local governments, nonprofits and for-profit developers. Grant funds can be used for resident and community services, community development and affordable housing activities in surrounding communities, and multifamily or single family property disposition, including the conversion of these properties to affordable housing. The program will also implement rent and work incentives to help public and HUD-assisted housing residents access jobs and move to self-sufficiency.

Grantees will undertake comprehensive local planning with input from residents and the community. A strong emphasis will be placed on local community planning for school and educational improvements, including early childhood initiatives. Up to ten percent of the appropriation will be used for planning grants to assist local partnerships to develop strong proposals for future fiscal year grant competitions.

The Department will place a strong emphasis on coordination with other federal agencies, notably the Departments of Education, Labor, Transportation, Health and Human Services and the Environmental Protection Agency, to leverage additional resources. Where possible, the program will be coordinated with the Department of Education's Promise Neighborhoods proposal. The Administration will propose authorizing legislation to implement this initiative.

【REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING (HOPE VI)】

【For grants to public housing agencies for demolition, site revitalization, replacement housing, and tenant-based assistance grants to projects as authorized by section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v), \$120,000,000, to remain available until September 30, 2010, of which the Secretary of Housing and Urban Development shall use \$2,400,000 for technical assistance and contract expertise, to be provided directly or indirectly by grants, contracts or cooperative agreements, including training and cost of necessary travel for participants in such training, by or to officials and employees of the department and of public housing agencies and to residents: *Provided, That none of such funds shall be used directly or indirectly by granting competitive advantage in awards to settle litigation or pay judgments, unless expressly permitted herein.*】 (*Department of Housing and Urban Development Appropriations Act, 2009.*)

Program and Financing (in millions of dollars)

Identification code 86-0218-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Direct program activity	197	121	
10.00 Total new obligations (object class 41.0)	197	121	

Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	98	1
22.00	New budget authority (gross)	99	120
22.10	Resources available from recoveries of prior year obligations	1	
23.90	Total budgetary resources available for obligation	198	121
23.95	Total new obligations	-197	-121
24.40	Unobligated balance carried forward, end of year	1	
New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation	100	120
40.36	Unobligated balance permanently reduced	-1	
43.00	Appropriation (total discretionary)	99	120
Change in obligated balances:			
72.40	Obligated balance, start of year	1,295	952
73.10	Total new obligations	197	121
73.20	Total outlays (gross)	-526	-428
73.40	Adjustments in expired accounts (net)	-13	
73.45	Recoveries of prior year obligations	-1	
74.40	Obligated balance, end of year	952	645
Outlays (gross), detail:			
86.90	Outlays from new discretionary authority		3
86.93	Outlays from discretionary balances	526	425
87.00	Total outlays (gross)	526	428
Net budget authority and outlays:			
89.00	Budget authority	99	120
90.00	Outlays	526	428

The HOPE VI program, in coordination with funding from the Public Housing Capital Fund, has accomplished its goal of contributing to the demolition of 100,000 severely distressed public housing units. The Budget proposes no additional funds. Instead, the Department proposes to build on the success of the HOPE VI program with its Choice Neighborhoods Initiative, which is intended to make a broad range of transformative investments in high-poverty neighborhoods where public and assisted housing is concentrated.

The remaining balance in this program of over \$900 million at the end of 2008 will spend out over several years as the redevelopment projects are completed. Cumulative results of the HOPE VI program as of December 31, 2008 are as follows: 72,346 households relocated; 91,910 units demolished; 75,363 units (new and rehabilitated) completed; and 72,874 completed units occupied.

NATIVE AMERICAN HOUSING BLOCK GRANTS

For the Native American Housing Block Grants program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (25 U.S.C. 4111 et seq.), \$645,000,000, to remain available until expended: *Provided*, That, notwithstanding the Native American Housing Assistance and Self-Determination Act of 1996, to determine the amount of the allocation under title I of such Act for each Indian tribe, the Secretary shall apply the formula under section 302 of such Act with the need component based on single-race Census data and with the need component based on multi-race Census data, and the amount of the allocation for each Indian tribe shall be the greater of the two resulting allocation amounts: *Provided further*, That of the amounts made available under this heading, \$3,500,000 shall be contracted for assistance for a national organization representing Native American housing interests for providing training and technical assistance to Indian housing authorities and tribally designated housing entities as authorized under NAHASDA; and \$4,250,000 shall be to support the inspection of Indian housing units, contract expertise, training, and technical assistance in the training, oversight, and management of such Indian housing and tenant-based assistance, including up to \$300,000 for related travel: *Provided further*, That of the amount provided under

this heading, \$2,000,000 shall be made available for the cost of guaranteed notes and other obligations, as authorized by title VI of NAHASDA: *Provided further*, That such costs, including the costs of modifying such notes and other obligations, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize the total principal amount of any notes and other obligations, any part of which is to be guaranteed, not to exceed **[\$17,000,000] \$18,000,000.** (*Department of Housing and Urban Development Appropriations Act, 2009.*)

Program and Financing (in millions of dollars)

Identification code 86-0313-0-1-604	2008 actual	2009 est.	2010 est.	
Obligations by program activity:				
00.02	Title VI Loan Guarantee Subsidy	1	2	2
00.10	Indian Housing Block Grants	550	752	643
00.11	Technical Assistance	3	11	
00.12	NAIHC	2	4	
00.14	Recovery Act		510	
10.00	Total new obligations (object class 41.0)	556	1,279	645
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	55	127	3
22.00	New budget authority (gross)	624	1,155	645
22.10	Resources available from recoveries of prior year obligations	4		
23.90	Total budgetary resources available for obligation	683	1,282	648
23.95	Total new obligations	-556	-1,279	-645
24.40	Unobligated balance carried forward, end of year	127	3	3
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	630	645	645
40.01	Appropriation, Recovery Act		510	
40.36	Unobligated balance permanently reduced	-6		
43.00	Appropriation (total discretionary)	624	1,155	645
Change in obligated balances:				
72.40	Obligated balance, start of year	996	976	1,577
73.10	Total new obligations	556	1,279	645
73.20	Total outlays (gross)	-572	-678	-785
73.45	Recoveries of prior year obligations	-4		
74.40	Obligated balance, end of year	976	1,577	1,437
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	153	233	190
86.93	Outlays from discretionary balances	419	445	595
87.00	Total outlays (gross)	572	678	785
Net budget authority and outlays:				
89.00	Budget authority	624	1,155	645
90.00	Outlays	572	678	785

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86-0313-0-1-604	2008 actual	2009 est.	2010 est.	
Guaranteed loan levels supportable by subsidy budget authority:				
215001	Title VI Indian Federal Guarantees Program	13	17	18
215999	Total loan guarantee levels	13	17	18
Guaranteed loan subsidy (in percent):				
232001	Title VI Indian Federal Guarantees Program	12.12	12.34	11.18
232999	Weighted average subsidy rate	12.12	12.34	11.18
Guaranteed loan subsidy budget authority:				
233001	Title VI Indian Federal Guarantees Program	2	2	2
233999	Total subsidy budget authority	2	2	2
Guaranteed loan subsidy outlays:				
234001	Title VI Indian Federal Guarantees Program	2	2	2
234999	Total subsidy outlays	2	2	2
Guaranteed loan downward reestimates:				
237001	Title VI Indian Federal Guarantees Program	-3	-3	
237999	Total downward reestimate subsidy budget authority	-3	-3	

NATIVE AMERICAN HOUSING BLOCK GRANT—Continued

Title I of the Native American Housing Assistance and Self-Determination Act (NAHASDA) of 1996 (P.L. 104-330) authorized the Native American Housing Block Grant program. This program provides an allocation of funds on a formula basis to Indian tribes and their tribally designated housing entities to help them address housing needs within their communities. HUD has determined, using 2000 Census data, that 273,658 American Indian/Alaska Native households, out of 965,684 have "severe housing needs." This is defined as a lack of basic plumbing or kitchen facilities, having more than 1.01 persons per room, or having a cost burden of over 50 percent of income. According to the Senate Committee on Indian Affairs, in 2002, 90,000 Indian families were homeless or underhoused. On tribal lands, 28 percent of Indian households were found to be overcrowded or to lack adequate plumbing and kitchen facilities, compared to 5.4 percent of national households. The Budget supports a program goal to reduce over-crowding on Native lands by 10 percent.

The Native American Housing Block Grant program includes a guaranteed loan provision (Title VI). A guarantee level of \$18 million is proposed for this loan guarantee program for 2010. A primary goal of the Title VI program is to encourage private lenders to provide financing in Indian country. Therefore, the program provides for the federal guarantee of notes or other obligations issued by Indian tribes or tribally designated housing entities for the purpose of financing affordable housing activities described in section 202 of the Act.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the loan guarantees committed in 1998 and beyond (including modifications of guarantees that resulted from obligations in any given year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

NATIVE HAWAIIAN HOUSING BLOCK GRANT

For the Native Hawaiian Housing Block Grant program, as authorized under title VIII of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4111 et seq.), \$10,000,000, to remain available until expended; Provided, That of this amount, \$299,211 shall be for training and technical assistance activities, including up to \$100,000 for related travel by Hawaii-based HUD employees. (Department of Housing and Urban Development Appropriations Act, 2009.)

Program and Financing (in millions of dollars)

Identification code 86-0235-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Native Hawaiian Housing Block Grant	17	11	10
10.00 Total new obligations (object class 41.0)	17	11	10
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	9	1	
22.00 New budget authority (gross)	9	10	10
23.90 Total budgetary resources available for obligation	18	11	10
23.95 Total new obligations	-17	-11	-10
24.40 Unobligated balance carried forward, end of year	1		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	9	10	10
Change in obligated balances:			
72.40 Obligated balance, start of year		9	13
73.10 Total new obligations	17	11	10

73.20 Total outlays (gross)	-8	-7	-7
74.40 Obligated balance, end of year	9	13	16
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority		1	1
86.93 Outlays from discretionary balances	8	6	6
87.00 Total outlays (gross)	8	7	7
Net budget authority and outlays:			
89.00 Budget authority	9	10	10
90.00 Outlays	8	7	7

The Hawaiian Homelands Homeownership Act of 2000 (P.L. 106-568) amended the Native American Housing Assistance and Self-Determination Act of 1996 by adding Title VIII, which authorized the Native Hawaiian Housing Block Grant program. This program provides an allocation of funds to assist and promote affordable housing activities to develop, maintain and operate affordable housing for eligible low-income Native Hawaiian families.

It authorizes annual grants to the Department of Hawaiian Home Lands (DHHL) for housing and housing-related assistance, pursuant to an annual housing plan, within the area in which DHHL is authorized to provide that assistance. DHHL uses performance measures and benchmarks that are based on the needs and priorities established in its five- and one-year housing plans. The Budget requests \$10 million for this program, the same level enacted in 2009.

LOW-RENT PUBLIC HOUSING--LOANS AND OTHER EXPENSES

Program and Financing (in millions of dollars)

Identification code 86-4098-0-3-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
09.01 Reimbursable program: Capital investment loans to PHAs		1	1
10.00 Total new obligations (object class 43.0)		1	1
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		1	1
23.95 Total new obligations		-1	-1
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	1	1	1
69.00 Offsetting collections (cash)	99	104	104
69.47 Portion applied to repay debt	-100	-104	-104
69.90 Spending authority from offsetting collections (total mandatory)	-1		
70.00 Total new budget authority (gross)		1	1
Change in obligated balances:			
72.40 Obligated balance, start of year	246	194	194
73.10 Total new obligations		1	1
73.20 Total outlays (gross)	-52	-1	-1
74.40 Obligated balance, end of year	194	194	194
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		1	1
86.98 Outlays from mandatory balances	52		
87.00 Total outlays (gross)	52	1	1
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-99	-104	-104
Net budget authority and outlays:			
89.00 Budget authority	-99	-103	-103

90.00	Outlays	-47	-103	-103
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Status of Direct Loans (in millions of dollars)

Identification code 86-4098-0-3-604	2008 actual	2009 est.	2010 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	791	692	588
1251 Repayments: Repayments and prepayments	-99	-104	-104
1290 Outstanding, end of year	692	588	484

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4098-0-3-604	2008 actual	2009 est.	2010 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	898	667	400
2251 Repayments and prepayments	-231	-267	-222
2290 Outstanding, end of year	667	400	178

Memorandum:

2299	Guaranteed amount of guaranteed loans outstanding, end of year	667	133	133
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The Low-Rent Public Housing Loan Fund provides direct Federal loans to fund remaining Public Housing Agency and Indian Housing Authority construction, acquisition, and modernization activities reserved under the Annual Contributions appropriation through 1986. These loans are made by borrowing from the Treasury. Under legislation enacted during 1986 (Public Law 99-272), amounts borrowed from the Treasury are forgiven at the end of each fiscal year and the loans to PHAs/IHAs are forgiven as construction, acquisition, and modernization activities are completed. Under the provisions of this legislation, \$1 million borrowed from the Treasury was forgiven in 2008, \$1 million will be borrowed from the Treasury and forgiven in 2009, and an estimated \$1 million will be borrowed from the Treasury and forgiven in 2010.

Since 1987, new reservations of capital funds for construction, acquisition, and modernization activities have been provided directly from the Public Housing Capital Fund appropriations.

Balance Sheet (in millions of dollars)

Identification code 86-4098-0-3-604	2007 actual	2008 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	247	194
1601 Direct loans, gross	791	692
1602 Interest receivable	48	43
1604 Direct loans and interest receivable, net	839	735
1699 Value of assets related to direct loans	839	735
1999 Total assets	1,086	929
LIABILITIES:		
Federal liabilities:		
2102 Interest payable	96	84
2104 Resources payable to Treasury	790	691
2999 Total liabilities	886	775
NET POSITION:		
3100 Appropriated capital	207	147
3300 Cumulative results of operations	-7	7
3999 Total net position	200	154
4999 Total liabilities and net position	1,086	929

Object Classification (in millions of dollars)

Identification code 86-4098-0-3-604	2008 actual	2009 est.	2010 est.
Reimbursable obligations:			
43.0	Loan Buy Downs and Other Expense	1	1

99.0	Reimbursable obligations	1	1
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INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

For the cost of guaranteed loans, as authorized by section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z—), **[\$9,000,000] \$7,000,000**, to remain available until expended: *Provided*, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, up to **[\$420,000,000:] \$919,000,000**. *Provided further*, That up to \$750,000 shall be for administrative contract expenses including management processes and systems to carry out the loan guarantee program. (*Department of Housing and Urban Development Appropriations Act, 2009.*)

Program and Financing (in millions of dollars)

Identification code 86-0223-0-1-371	2008 actual	2009 est.	2010 est.	
Obligations by program activity:				
00.02	Guaranteed loan subsidy	7	11	6
00.09	Administrative Contract Expenses		1	1
10.00	Total new obligations	7	12	7

Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	5	5	2
22.00	New budget authority (gross)	7	9	7
23.90	Total budgetary resources available for obligation	12	14	9
23.95	Total new obligations	-7	-12	-7
24.40	Unobligated balance carried forward, end of year	5	2	2

New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	7	9	7

Change in obligated balances:				
72.40	Obligated balance, start of year	2	3	5
73.10	Total new obligations	7	12	7
73.20	Total outlays (gross)	-6	-10	-9
74.40	Obligated balance, end of year	3	5	3

Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	5	8	6
86.93	Outlays from discretionary balances	1	2	3
87.00	Total outlays (gross)	6	10	9

Net budget authority and outlays:				
89.00	Budget authority	7	9	7
90.00	Outlays	6	10	9

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86-0223-0-1-371	2008 actual	2009 est.	2010 est.	
Guaranteed loan levels supportable by subsidy budget authority:				
215001	Indian Housing Loan Guarantee	307	420	919
215999	Total loan guarantee levels	307	420	919
Guaranteed loan subsidy (in percent):				
232001	Indian Housing Loan Guarantee	2.42	2.52	0.68
232999	Weighted average subsidy rate	2.42	2.52	0.68
Guaranteed loan subsidy budget authority:				
233001	Indian Housing Loan Guarantee	7	11	6
233999	Total subsidy budget authority	7	11	6
Guaranteed loan subsidy outlays:				
234001	Indian Housing Loan Guarantee	6	9	6
234999	Total subsidy outlays	6	9	6
Guaranteed loan downward reestimates:				
237001	Indian Housing Loan Guarantee	-6	-8	
237999	Total downward reestimate subsidy budget authority	-6	-8	

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT—Continued
Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program —Continued

Identification code 86-0223-0-1-371	2008 actual	2009 est.	2010 est.
Administrative expense data:			
3510 Budget authority		1	1
3590 Outlays from new authority		1	1

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the loan guarantees committed in 1992 and beyond (including modifications of guarantees that resulted from obligations in any year). The subsidy amounts are estimated on a net present value basis. The administrative expenses are shown on a cash basis.

This program provides access to sources of private financing for Indian families, Indian tribes, and their tribally designated housing entities who otherwise could not acquire housing financing because of the unique legal status of Indian trust land. The Budget proposes funding to support additional loan guarantee activity and to provide managerial and systems support. The latter is important given the significant growth in loan activity under this program. Loan commitments increased 148 percent from 2005 to 2008, supporting homeownership efforts on Indian lands. This increase in volume has provided sufficient data to support a comprehensive, program-specific credit subsidy analysis and this is included in the Budget for 2010 estimates. The analysis concludes that default rates are significantly lower than estimated in prior Budgets. As a result, this Budget funds a significant increase in loan volume—necessary to meet projected program demand—without an increase in appropriations.

Object Classification (in millions of dollars)

Identification code 86-0223-0-1-371	2008 actual	2009 est.	2010 est.
Direct obligations:			
25.2 Other services		1	1
41.0 Grants, subsidies, and contributions	7	11	6
99.9 Total new obligations	7	12	7

INDIAN HOUSING LOAN GUARANTEE FUND FINANCING ACCOUNT
Program and Financing (in millions of dollars)

Identification code 86-4104-0-3-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Default Claims	4	6	7
08.02 Downward Re-estimate	6	8	
10.00 Total new obligations	10	14	7
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	23	25	24
22.00 New financing authority (gross)	12	13	9
23.90 Total budgetary resources available for obligation	35	38	33
23.95 Total new obligations	-10	-14	-7
24.40 Unobligated balance carried forward, end of year	25	24	26
New financing authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	11	13	9
69.10 Change in uncollected customer payments from Federal sources (unexpired)	1		
69.90 Spending authority from offsetting collections (total mandatory)	12	13	9
Change in obligated balances:			
72.40 Obligated balance, start of year	-2	-3	11
73.10 Total new obligations	10	14	7

73.20 Total financing disbursements (gross)	-10		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-1		
74.40 Obligated balance, end of year	-3	11	18

Outlays (gross), detail:

87.00 Total financing disbursements (gross)	10		
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Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources: Payments from program account	-7	-10	-6
88.25 Interest on uninvested funds	-1		
88.40 Non-Federal sources	-3	-3	-3
88.90 Total, offsetting collections (cash)	-11	-13	-9
Against gross financing authority only:			
88.95 Change in receivables from program accounts	-1		

Net financing authority and financing disbursements:

89.00 Financing authority			
90.00 Financing disbursements	-1	-13	-9

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4104-0-3-604	2008 actual	2009 est.	2010 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	367	420	919
2121 Limitation available from carry-forward	114	173	173
2143 Uncommitted limitation carried forward	-173	-173	-173
2150 Total guaranteed loan commitments	308	420	919
2199 Guaranteed amount of guaranteed loan commitments	308	420	919
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	584	813	1,195
2231 Disbursements of new guaranteed loans	275	420	919
2251 Repayments and prepayments	-47	-32	-40
Adjustments:			
2263 Terminations for default that result in claim payments	-4	-6	-7
2264 Other adjustments, net	5		
2290 Outstanding, end of year	813	1,195	2,067
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	813	1,195	2,067

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from the loan guarantees committed in 1992 and beyond (including modifications of loan guarantees that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

Balance Sheet (in millions of dollars)

Identification code 86-4104-0-3-604	2007 actual	2008 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	21	22
1999 Total assets	21	22
LIABILITIES:		
Non-Federal liabilities:		
2204 Liabilities for loan guarantees	16	14
2207 Unearned revenues and advances	5	8
2999 Total liabilities	21	22
4999 Total liabilities and net position	21	22

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

For the cost of guaranteed loans, as authorized by section 184A of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z—),

\$1,044,000, to remain available until expended: *Provided*, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$41,504,255. (*Department of Housing and Urban Development Appropriations Act, 2009.*)

Program and Financing (in millions of dollars)

Identification code 86-0233-0-1-371	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.02 Guaranteed loan subsidy		1	1
10.00 Total new obligations (object class 41.0)		1	1
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	6	4	4
22.00 New budget authority (gross)	-2	1	1
23.90 Total budgetary resources available for obligation	4	5	5
23.95 Total new obligations		-1	-1
24.40 Unobligated balance carried forward, end of year	4	4	4
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	1	1	1
40.36 Unobligated balance permanently reduced	-3		
43.00 Appropriation (total discretionary)	-2	1	1
Change in obligated balances:			
73.10 Total new obligations		1	1
73.20 Total outlays (gross)		-1	-1
74.40 Obligated balance, end of year			
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			1
86.93 Outlays from discretionary balances		1	
87.00 Total outlays (gross)		1	1
Net budget authority and outlays:			
89.00 Budget authority	-2	1	1
90.00 Outlays		1	1

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86-0233-0-1-371	2008 actual	2009 est.	2010 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Native Hawaiian Housing Loan Guarantees	41	42	42
215999 Total loan guarantee levels	41	42	42
Guaranteed loan subsidy (in percent):			
232001 Native Hawaiian Housing Loan Guarantees	2.42	2.52	2.52
232999 Weighted average subsidy rate	2.42	2.52	2.52
Guaranteed loan subsidy budget authority:			
233001 Native Hawaiian Housing Loan Guarantees	1	1	1
233999 Total subsidy budget authority	1	1	1
Guaranteed loan subsidy outlays:			
234001 Native Hawaiian Housing Loan Guarantees	1	1	1
234999 Total subsidy outlays	1	1	1

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the loan guarantees committed in 2001 and beyond (including modifications of guarantees that resulted from obligations in any year). The subsidy amounts are estimated on a net present value basis. The administrative expenses are shown on a cash basis.

This program provides access to sources of private financing to eligible Native Hawaiian families who reside on the Hawaiian Home Lands and who otherwise could not acquire private finan-

cing because of the unique legal status of the Hawaiian Home Lands.

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4351-0-3-371	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Default Claims		1	1
10.00 Total new obligations		1	1
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year			1
22.00 New financing authority (gross)		2	1
23.90 Total budgetary resources available for obligation		2	2
23.95 Total new obligations		-1	-1
24.40 Unobligated balance carried forward, end of year		1	1
New financing authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)		2	1
Change in obligated balances:			
72.40 Obligated balance, start of year			1
73.10 Total new obligations		1	1
74.40 Obligated balance, end of year		1	2
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources: Payments from program account		-1	-1
88.40 Non-Federal sources		-1	
88.90 Total, offsetting collections (cash)		-2	-1
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements		-2	-1

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4351-0-3-371	2008 actual	2009 est.	2010 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	41	42	42
2121 Limitation available from carry-forward	184	184	184
2143 Uncommitted limitation carried forward	-184	-184	-184
2150 Total guaranteed loan commitments	41	42	42
2199 Guaranteed amount of guaranteed loan commitments	41	42	42
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	43	80	116
2231 Disbursements of new guaranteed loans	41	41	41
2251 Repayments and prepayments	-4	-4	-4
2263 Adjustments: Terminations for default that result in claim payments		-1	-1
2290 Outstanding, end of year	80	116	152
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	80	116	152

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the government resulting from the loan guarantees committed in 2001 and beyond (including modifications of loan guarantees that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND FINANCING
ACCOUNT—Continued

As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

TITLE VI INDIAN FEDERAL GUARANTEES FINANCING ACCOUNT
Program and Financing (in millions of dollars)

Identification code 86-4244-0-3-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Default Claims		2	2
08.02 Downward Reestimate	3	2	
08.04 Interest on reestimate		1	
08.91 Direct Program by Activities - Subtotal (1 level)	3	3	
10.00 Total new obligations	3	5	2
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	14	12	9
22.00 New financing authority (gross)	1	2	2
23.90 Total budgetary resources available for obligation	15	14	11
23.95 Total new obligations	-3	-5	-2
24.40 Unobligated balance carried forward, end of year	12	9	9
New financing authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	2	2	2
69.10 Change in uncollected customer payments from Federal sources (unexpired)	-1		
69.90 Spending authority from offsetting collections (total mandatory)	1	2	2
Change in obligated balances:			
72.40 Obligated balance, start of year	-1		5
73.10 Total new obligations	3	5	2
73.20 Total financing disbursements (gross)	-3		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	1		
74.40 Obligated balance, end of year		5	7
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	3		
Offsets:			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from: Federal sources	-2	-2	-2
Against gross financing authority only:			
88.95 Change in receivables from program accounts	1		
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	1	-2	-2

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4244-0-3-604	2008 actual	2009 est.	2010 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	17	17	18
2121 Limitation available from carry-forward	40	23	23
2142 Uncommitted loan guarantee limitation	-21		
2143 Uncommitted limitation carried forward	-23	-23	-23
2150 Total guaranteed loan commitments	13	17	18
2199 Guaranteed amount of guaranteed loan commitments	13	17	18
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	89	99	107
2231 Disbursements of new guaranteed loans	15	15	15
2251 Repayments and prepayments	-5	-5	-5
2263 Adjustments: Terminations for default that result in claim payments		-2	-2
2290 Outstanding, end of year	99	107	115

Memorandum:	97	107	115
2299 Guaranteed amount of guaranteed loans outstanding, end of year			

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1992 and beyond (including modifications of loan guarantees that resulted from commitments in any year). The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

Balance Sheet (in millions of dollars)

Identification code 86-4244-0-3-604	2007 actual	2008 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	14	14
1999 Total assets	14	14
LIABILITIES:		
2204 Non-Federal liabilities: Liabilities for loan guarantees	14	14
2999 Total liabilities	14	14
4999 Total liabilities and net position	14	14

COMMUNITY PLANNING AND DEVELOPMENT

Federal Funds

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

[(INCLUDING TRANSFER OF FUNDS)]

For carrying out the Housing Opportunities for Persons with AIDS program, as authorized by the AIDS Housing Opportunity Act (42 U.S.C. 12901 et seq.), \$310,000,000, to remain available until September 30, [2010] 2011, except that amounts allocated pursuant to section 854(c)(3) of such Act shall remain available until September 30, [2011] 2012: *Provided*, That the Secretary shall renew all expiring contracts for permanent supportive housing that were funded under section 854(c)(3) of such Act that meet all program requirements before awarding funds for new contracts and activities authorized under this section: *Provided further*, That the Secretary may use not to exceed \$1,485,000 of the funds under this heading for training, oversight, and technical assistance activities; and not to exceed \$1,750,000 may be transferred to the Working Capital Fund]. (Department of Housing and Urban Development Appropriations Act, 2009.)

Program and Financing (in millions of dollars)

Identification code 86-0308-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Housing for Persons with HIV/AIDS	310	330	330
10.00 Total new obligations (object class 41.0)	310	330	330
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	115	104	82
22.00 New budget authority (gross)	299	308	310
23.90 Total budgetary resources available for obligation	414	412	392
23.95 Total new obligations	-310	-330	-330
24.40 Unobligated balance carried forward, end of year	104	82	62
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	300	310	310
41.00 Transferred to other accounts	-1	-2	
43.00 Appropriation (total discretionary)	299	308	310
Change in obligated balances:			
72.40 Obligated balance, start of year	438	434	475
73.10 Total new obligations	310	330	330

73.20	Total outlays (gross)	-314	-289	-299
74.40	Obligated balance, end of year	434	475	506
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	2	6	6
86.93	Outlays from discretionary balances	312	283	293
87.00	Total outlays (gross)	314	289	299
Net budget authority and outlays:				
89.00	Budget authority	299	308	310
90.00	Outlays	314	289	299

The Housing Opportunities for Persons With AIDS (HOPWA) program provides States and localities with resources and incentives to devise long-term comprehensive strategies for meeting the housing needs of persons with HIV/AIDS and their families. HOPWA funds provide stable housing arrangements, help reduce risks of homelessness and improve access to care for program participants. HOPWA funding is used in an efficient manner, resulting in the program's achievement of performance goals at a very modest cost per person assisted. The \$310 million requested for 2010 will support permanent housing outcome goals consistent with the Department's Annual Performance Plan that 90 percent of households will achieve housing stability in permanent housing by 2012.

States and metropolitan areas receive 90 percent of funds by formula based on the number of cases of AIDS. The final 10 percent is awarded competitively to States, local governments, and private nonprofit entities, including faith-based organizations, for projects of national significance. Awards are also made to States and local governments for projects in jurisdictions that do not qualify for a formula allocation. HUD provides priority renewal of expiring competitive projects that provide permanent supportive housing.

COMMUNITY DEVELOPMENT FUND
[(INCLUDING TRANSFER OF FUNDS)]

For assistance to units of State and local government, and to other entities, for economic and community development activities, and for other purposes, **[\$3,900,000,000]** \$4,450,000,000, to remain available until September 30, **[2011]** 2012, unless otherwise specified: *Provided*, That of the total amount provided, **[\$3,641,966,875]** \$4,185,000,000 is for carrying out the community development block grant program under title I of the Housing and Community Development Act of 1974, as amended (the "Act" herein) (42 U.S.C. 5301 et seq.): *Provided further*, That unless explicitly provided for under this heading (except for planning grants provided in the second paragraph and amounts made available under the third paragraph), not to exceed 20 percent of any grant made with funds appropriated under this heading shall be expended for planning and management development and administration: *Provided further*, That of the total amount made available under this heading, not to exceed \$3,175,000 may be transferred to the Working Capital Fund: *Provided further*, That \$5,000,000 is for technical assistance as authorized by section 107(b)(4) of such Act: *Provided further*, That \$65,000,000 shall be for grants to Indian tribes notwithstanding section 106(a)(1) of such Act, of which, notwithstanding any other provision of law (including section 204 of this Act), up to \$3,960,000 may be used for emergencies that constitute imminent threats to health and safety.

[Of the amount made available under this heading, \$165,311,875 shall be available for grants for the Economic Development Initiative (EDI) to finance a variety of targeted economic investments in accordance with the terms and conditions specified in the explanatory statement accompanying this Act: *Provided*, That none of the funds provided under this paragraph may be used for program operations: *Provided further*, That, for fiscal years 2007, 2008 and 2009, no unobligated funds for EDI grants may be used for any purpose except acquisition, planning, design, purchase of equipment, revitalization, redevelopment or construction.]

[Of the amount made available under this heading, \$19,546,250 shall be available for neighborhood initiatives that are utilized to improve the conditions of distressed and blighted areas and neighborhoods, to stimulate investment, economic diversification, and community revitalization in areas with population outmigration or a stagnating or declining economic base, or to determine whether housing benefits can be integrated more effectively with welfare reform initiatives: *Provided*, That amounts made available under this paragraph shall be provided in accordance with the terms and conditions specified in the explanatory statement accompanying this Act.]

[The referenced statement of managers under this heading in title III of division A of Public Law 109-115 is deemed to be amended with respect to item number 889 by striking "Perry County, Pennsylvania to develop an industrial park in New Bloomfield" and inserting "Perry County, Pennsylvania to develop an industrial park in Penn Township/Duncannon".]

[The referenced statement of managers under the heading "Community Planning and Development" in title II of division K of Public Law 110-161 is deemed to be amended by striking: "Golden Castings Foundry Demolition and Site Remediation Project to raze and remediate the site of the former Golden Castings Foundry for the demolition and environmental remediation costs of the Golden Castings foundry site" and inserting "To remediate the former site of the Columbus Wood Treating Plant in Columbus, Indiana".]

[The referenced explanatory statement under this heading in Public Law 110-161 is deemed to be amended with respect to the fourth item included in the table found on page 2439 with respect to amounts made available for the Springfield Boys and Girls Club by striking "Springfield Boys and Girls Club; Community Center; Springfield, IL; Planning, development, land acquisition, and construction costs for a new community center in Springfield." and inserting "City of Springfield for capital costs associated with the Edwin Watts Southwind Park".]

[The referenced statement of managers under the heading "Community Development Fund" in title II of division K of Public Law 110-161 is deemed to be amended by striking: "City of Charlotte, NC for land acquisition in the development of the Belvedere Business Park" and inserting "City of Charlotte, NC for development of the Belvedere Business Park".]

*Of the amounts made available under this heading, \$150,000,000 shall be made available for a Sustainable Communities Initiative to stimulate improved regional planning efforts that integrate housing and transportation decisions, and to challenge communities to reform zoning and land use ordinances: *Provided*, That \$100,000,000 shall be for Regional Planning Grants to support the linking of transportation and land use planning: *Provided further*, That \$40,000,000 shall be for Metropolitan Challenge Grants to foster reform and reduce barriers to achieve affordable, economically vital, and sustainable communities: *Provided further*, That up to \$10,000,000 shall be for a joint Department of Housing and Urban Development and Department of Transportation research effort that shall include a rigorous evaluation of the Regional Planning Grants and Metropolitan Challenge Grants programs: *Provided further*, That of the amounts made available under this heading, \$25,000,000 shall be made available for the Rural Innovation Fund to address the problems of concentrated rural housing distress and community poverty: *Provided further*, That of the amounts made available under this heading, \$25,000,000 shall be made available for the University Community Fund for grants to assist universities in revitalizing their surrounding communities, with special attention to Historically Black Colleges and Universities, Tribal Colleges and Universities, Alaska Native /Native Hawaiian Institutions, and Hispanic-Serving Institutions: *Provided further*, That the Secretary shall develop and publish guidelines for the use of such competitive funds including, but not limited to, eligibility criteria, minimum grant amounts, and performance metrics. (Department of Housing and Urban Development Appropriations Act, 2009.)*

Program and Financing (in millions of dollars)

Identification code 86-0162-0-1-451	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Community Development Formula Grants	3,589	3,600	4,045
00.03 Indian Tribes	56	66	65
00.04 Special Purpose Grants	1	4	5
00.05 Youthbuild	1		
00.07 Economic Development Initiative Grants	101	150	160

COMMUNITY DEVELOPMENT FUND—Continued
Program and Financing —Continued

Identification code 86-0162-0-1-451		2008 actual	2009 est.	2010 est.
00.08	Neighborhood Initiative Demonstration	21	16	19
00.10	Disaster Assistance	1,086	8,340	.....
00.11	Recovery Act, CDBG .....	.....	1,000	.....
00.12	Recovery Act, NSP Competitive .....	.....	45	1,955
00.13	Sustainable Communities .....	.....	.....	150
00.14	Rural Fund .....	.....	.....	25
00.15	University Fund .....	.....	.....	25
10.00	Total new obligations (object class 41.0)	4,855	13,221	6,449
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	762	13,114	2,870
21.45	Adjustments to unobligated balance carried forward, start of year .....	.....	-3,920	.....
22.00	New budget authority (gross)	17,207	6,897	4,450
22.22	Unobligated balance transferred from other accounts	1	.....	.....
23.90	Total budgetary resources available for obligation	17,970	16,091	7,320
23.95	Total new obligations	-4,855	-13,221	-6,449
23.98	Unobligated balance expiring or withdrawn	-1	.....	.....
24.40	Unobligated balance carried forward, end of year	13,114	2,870	871
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	13,666	3,900	4,450
40.01	Appropriation, Recovery Act .....	.....	3,000	.....
40.35	Appropriation permanently reduced	-377	.....	.....
41.00	Transferred to other accounts	-2	-3	.....
43.00	Appropriation (total discretionary)	13,287	6,897	4,450
Mandatory:				
60.00	Appropriation	3,920	.....	.....
70.00	Total new budget authority (gross)	17,207	6,897	4,450
Change in obligated balances:				
72.40	Obligated balance, start of year	19,768	15,672	20,884
73.10	Total new obligations	4,855	13,221	6,449
73.20	Total outlays (gross)	-8,935	-8,009	-8,307
73.40	Adjustments in expired accounts (net)	-16	.....	.....
74.40	Obligated balance, end of year	15,672	20,884	19,026
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	509	49	45
86.93	Outlays from discretionary balances	8,426	7,960	8,262
87.00	Total outlays (gross)	8,935	8,009	8,307
Net budget authority and outlays:				
89.00	Budget authority	17,207	6,897	4,450
90.00	Outlays	8,935	8,009	8,307

The Community Development Block Grant (CDBG) program provides flexible annual formula grants to State and local governments to benefit mainly low- to moderate-income persons. The funding is used for a wide-range of community and economic development activities, such as public infrastructure improvements, housing rehabilitation and construction, job creation and retention, and public services. Seventy percent of the CDBG formula grants are distributed to mainly urban areas (entitlement communities), and thirty percent to the States (non-entitlement communities).

President Obama is committed to fully fund the CDBG program and has requested \$4.45 billion for 2010. In addition, the Budget proposes CDBG legislative reforms and new initiatives with this account. CDBG reform proposes a modernized formula to better target funds to communities with the greatest economic need. The current formula has not been updated in over 30 years, and as a result, many communities that have greater community development needs are not receiving adequate CDBG funding relative to places with less economic distress. Because of the adjustments in funding allocation, the reform legislation will also

include a hold harmless provision to transition communities over time to the improved formula. CDBG disaster recovery reforms will also be included in the legislative proposal. The program will be further strengthened by greater accountability and better performance metrics. Proposed legislation to authorize these reforms will be transmitted in mid-2009.

The Budget requests three new initiatives. As a set-aside within the account, \$150 million is provided for a Sustainable Communities Initiative. The objective of this initiative is improved coordination of transportation and housing investments that result in more regional and local sustainable development patterns, reduced greenhouse gas emissions, and more transit-accessible housing choices for residents. These funds will stimulate more integrated regional planning to guide state, metropolitan, and local decisions, investments, and reforms in land use, transportation and housing. The Sustainable Communities Initiative would have three components. First, the Initiative proposes to offer \$100 million in Regional Planning Grants, which will be a collaborative effort between HUD and the Department of Transportation (DOT). Eligible applicants would include metropolitan planning organizations and consortia of HUD formula block grant recipients, with an emphasis on recipients' capacity for long-term cross-jurisdictional partnerships, public and private engagement, and ability to integrate resources.

The second component is the Metropolitan Challenge Grants, which is a local complement to the broader regional plans. The Budget provides \$40 million for this investment to facilitate changes in local zoning and land use policy and practice. The objective is to provide incentives to encourage sustainable growth and reverse counter productive growth patterns that have evolved in many areas, and then to subsequently replicate these models.

Finally, the third component would provide \$10 million for a joint HUD-DOT research effort designed to advance transportation and housing linkages. The research agenda include tracking of housing and transportation expenditures by location; creating broader measures of affordability and metropolitan accessibility; evaluating location efficient mortgages and energy efficient mortgages; identifying best practices in transit-oriented development and those that responds to affordable housing needs; establishing standardized performance measures such as vehicle-miles traveled or location efficiency. It is expected that about \$2 million of this set-aside will be used to evaluate this new initiative.

The second Initiative is the Rural Innovation Fund, which is funded at \$25 million. These funds are provided to states through a competitive process to promote innovative and cost effective approaches to improving housing conditions in rural communities.

The third Initiative is the University Community Fund, which is also funded at \$25 million. These funds serve to promote revitalization in communities surrounding the universities, with a renewed emphasis on energy conservation, homeownership training/counseling, and other community and economic development activities.

The Indian Community Development program will continue to be funded in this account at \$65 million. This program provides eligible grantees with direct grants for use in developing viable Indian and Alaska Native Communities, including decent housing, a suitable living environment, and economic opportunities, primarily for low- and moderate-income persons.

This account also reflects 2009 Recovery Act funding — \$1 billion in CDBG and \$2 billion for Neighborhood Stabilization Program (NSP) II competitive grants. The NSP grants are for emergency assistance for the redevelopment of abandoned and foreclosed homes and are in addition to \$3.92 billion NSP funding,

which was mandatory appropriation funding and is reflected in a separate account.

23.95	Total new obligations	-23	-11	-10
24.40	Unobligated balance carried forward, end of year	11	10	.....

New budget authority (gross), detail:

Discretionary:				
40.00	Appropriation	10	10	.....
40.36	Unobligated balance permanently reduced	-11	.....	.....
43.00	Appropriation (total discretionary)	-1	10	.....

Change in obligated balances:

72.40	Obligated balance, start of year	95	93	77
73.10	Total new obligations	23	11	10
73.20	Total outlays (gross)	-19	-27	-32
73.40	Adjustments in expired accounts (net)	-4	.....	.....
73.45	Recoveries of prior year obligations	-2	.....	.....
74.40	Obligated balance, end of year	93	77	55

Outlays (gross), detail:

86.93	Outlays from discretionary balances	19	27	32
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Net budget authority and outlays:

89.00	Budget authority	-1	10
90.00	Outlays	19	27	32

EMPOWERMENT ZONES/ENTERPRISE COMMUNITIES/RENEWAL COMMUNITIES

Program and Financing (in millions of dollars)

Identification code 86-0315-0-1-451	2008 actual	2009 est.	2010 est.	
Change in obligated balances:				
72.40	Obligated balance, start of year	70	53	36
73.20	Total outlays (gross)	-17	-17	-17
74.40	Obligated balance, end of year	53	36	19
Outlays (gross), detail:				
86.93	Outlays from discretionary balances	17	17	17
Net budget authority and outlays:				
89.00	Budget authority .....	.....	.....	.....
90.00	Outlays	17	17	17

No new appropriation is requested for the Empowerment Zone (EZ) and Renewal Community (RC) programs in the 2010 Budget. The EZs' and RCs' tax incentives were scheduled to expire on December 31, 2010. As one of many temporary tax provisions that are extended, the Administration proposes to extend the EZs and RCs through December 31, 2010.

The Administration supports extending the Federal Community Renewal tax incentives so that the EZs' and RCs' ongoing efforts to encourage and support business investment, economic revitalization, and expansion of job opportunities for residents in the designated high poverty, high unemployment census tracts may continue. The initiative complements the President's goals of strengthening communities and focusing Federal resources on areas of greatest need, primarily through the expansion of business opportunities.

An amendment to the Internal Revenue Code enacted in 2001 approved major tax incentives to revitalize areas of pervasive poverty, unemployment, and general distress, and HUD designated 40 urban and rural RCs and a third round of 8 urban EZs under the 2001 law. This law also allows the earlier 22 urban EZs to receive the same package of tax incentives, all of which expire December 31, 2009.

The 2010 Budget requests no funding for the Brownfields Economic Development Initiative (BEDI) program. BEDI is a competitive grant program designed to assist cities with the redevelopment of brownfield sites for the purposes of economic development and job creation. Brownfields are abandoned, idled, and underused industrial and commercial facilities and land where expansion and redevelopment is burdened by real or potential environmental contamination. The program is relatively small in size and local governments have access to other public and private funds, including the larger Community Development Block Grant (CDBG), which can serve similar purposes.

HOME INVESTMENT PARTNERSHIPS PROGRAM

[(INCLUDING TRANSFER OF FUNDS)]

For the HOME investment partnerships program, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, \$1,825,000,000, to remain available until September 30, [2011, of which not to exceed \$4,200,000 may be transferred to the Working Capital Fund] 2012: *Provided*, [That up to \$12,000,000 shall be available for technical assistance: *Provided further*, That, in prior appropriations Acts] *That funds provided in prior appropriations Acts for technical assistance, that were made available for Community Housing Development Organizations technical assistance, and that still remain available, may be used for HOME technical assistance notwithstanding the purposes for which such amounts were appropriated. (Department of Housing and Urban Development Appropriations Act, 2009.)*

Program and Financing (in millions of dollars)

Identification code 86-0205-0-1-604	2008 actual	2009 est.	2010 est.	
Obligations by program activity:				
00.01	HOME Investment Program	1,595	1,883	2,015
00.02	Technical Assistance	8	12	.....
00.03	Housing Counseling Assistance	44	.....	.....
00.04	Tax Credit Assistance Program .....	.....	2,250	.....
10.00	Total new obligations (object class 41.0)	1,647	4,145	2,015

Budgetary resources available for obligation:

21.40	Unobligated balance carried forward, start of year	319	376	302
22.00	New budget authority (gross)	1,696	4,071	1,825
22.10	Resources available from recoveries of prior year obligations ...	8	.....	.....
23.90	Total budgetary resources available for obligation	2,023	4,447	2,127
23.95	Total new obligations	-1,647	-4,145	-2,015
24.40	Unobligated balance carried forward, end of year	376	302	112

BROWNFIELDS REDEVELOPMENT

[For competitive economic development grants, as authorized by section 108(q) of the Housing and Community Development Act of 1974, as amended, for Brownfields redevelopment projects, \$10,000,000, to remain available until September 30, 2010: *Provided*, That no funds made available under this heading may be used to establish loan loss reserves for the section 108 Community Development Loan Guarantee program.] *(Department of Housing and Urban Development Appropriations Act, 2009.)*

Program and Financing (in millions of dollars)

Identification code 86-0314-0-1-451	2008 actual	2009 est.	2010 est.	
Obligations by program activity:				
00.01	Cleanup and develop contaminated sites	23	11	10
10.00	Total new obligations (object class 41.0)	23	11	10
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	33	11	10
22.00	New budget authority (gross)	-1	10	.....
22.10	Resources available from recoveries of prior year obligations ...	2	.....	.....
23.90	Total budgetary resources available for obligation	34	21	10

HOME INVESTMENT PARTNERSHIP PROGRAM—Continued
Program and Financing —Continued

Identification code 86-0205-0-1-604	2008 actual	2009 est.	2010 est.
New budget authority (gross), detail:			
Discretionary:			
40.00	1,704	1,825	1,825
40.01		2,250	
40.36	-5		
41.00	-3	-4	
43.00	1,696	4,071	1,825
Change in obligated balances:			
72.40	5,379	5,047	6,948
73.10	1,647	4,145	2,015
73.20	-1,969	-2,244	-2,928
73.40	-2		
73.45	-8		
74.40	5,047	6,948	6,035
Outlays (gross), detail:			
86.90	34	261	37
86.93	1,935	1,983	2,891
87.00	1,969	2,244	2,928
Net budget authority and outlays:			
89.00	1,696	4,071	1,825
90.00	1,969	2,244	2,928

The HOME Investment Partnerships Program is authorized by the National Affordable Housing Act (P.L. 101-625), as amended. This program provides flexible annual formula grant assistance to States and units of local government to increase the supply of affordable housing and expand homeownership for low- to very-low income persons. Sixty percent of the formula grant funds is awarded to participating local governments and 40 percent is awarded to states. These communities often use the funds in partnership with local non-profit organizations to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people. Projects funded by HOME often leverage private dollars and are used in conjunction with the Low-Income Housing Tax Credit, Community Development Block Grant, and local funds.

Over time, the funding provided in the 2010 Budget is estimated to result in the production of almost 78,000 units of affordable housing through new construction, rehabilitation, and/or acquisition. It is also estimated that communities will use a portion of their funding to support tenant-based rental assistance for over 17,000 units.

HOUSING TRUST FUND
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 86-5553-4-2-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01			1,000
10.00			1,000
Budgetary resources available for obligation:			
22.00			1,000
23.95			-1,000
New budget authority (gross), detail:			
Mandatory:			

60.00	Appropriation		1,000
Change in obligated balances:			
73.10	Total new obligations		1,000
73.20	Total outlays (gross)		-20
74.40	Obligated balance, end of year		980
Outlays (gross), detail:			
86.97	Outlays from new mandatory authority		20
Net budget authority and outlays:			
89.00	Budget authority		1,000
90.00	Outlays		20

The Housing Trust Fund was originally authorized in the Housing and Economic Recovery Act of 2008 (Pub. L. 110-289) under section 1338 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 1301 et seq.) with a dedicated funding stream from assessments on Fannie Mae and Freddie Mac. However, the Federal Housing Finance Agency has indefinitely suspended these assessments. The Budget proposes to restore funding for the Housing Trust Fund through legislation directing \$1 billion to finance the fund. The purpose of the Housing Trust Fund is to provide grants to States for use to increase and preserve the supply of rental housing for extremely low-income and very low-income families, including homeless families; and to increase homeownership for extremely low- and very low-income families. The funding will be distributed by formula to States or State-designated entities that will target resources to areas with substantial needs. The Housing Trust Fund will help address the growing shortage of affordable housing, which is one of the most serious social and economic problems facing the country. The funding will be used for production, preservation, and rehabilitation of rental housing and operating costs, and for production, preservation, and rehabilitation of housing for homeownership (limited to ten percent of the funding). Over time, the funding provided for the Housing Trust Fund in 2010 is expected to produce approximately 29,000 rental units and 7,000 homebuyer units.

SELF-HELP AND ASSISTED HOMEOWNERSHIP OPPORTUNITY PROGRAM

For the Self-Help and Assisted Homeownership Opportunity Program, as authorized under section 11 of the Housing Opportunity Program Extension Act of 1996, as amended, **[\$64,000,000] \$77,000,000** to remain available until September 30, **[2011] 2012: Provided**, That of the total amount provided under this heading, **[\$26,500,000] \$27,000,000** shall be made available to the Self-Help and Assisted Homeownership Opportunity Program as authorized under section 11 of the Housing Opportunity Program Extension Act of 1996, as amended: *Provided further*, That **[\$34,000,000] \$50,000,000** shall be made available **[for the second, third and fourth capacity building activities authorized]** under section 4 **[(a)]** of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note), of which not less than **[\$5,000,000] \$10,000,000** may be made available for rural capacity building activities: *Provided further*, That \$3,500,000 shall be made available for capacity building activities as authorized in sections 6301 through 6305 of Public Law 110-246. (*Department of Housing and Urban Development Appropriations Act, 2009.*)

Program and Financing (in millions of dollars)

Identification code 86-0176-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01		26	27
00.02	19	34	50
00.03		4	
10.00	45	64	77

Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	48	60	60
22.00	New budget authority (gross)	57	64	77
23.90	Total budgetary resources available for obligation	105	124	137
23.95	Total new obligations	-45	-64	-77
24.40	Unobligated balance carried forward, end of year	60	60	60
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	60	64	77
40.36	Unobligated balance permanently reduced	-3		
43.00	Appropriation (total discretionary)	57	64	77
Change in obligated balances:				
72.40	Obligated balance, start of year	45	64	78
73.10	Total new obligations	45	64	77
73.20	Total outlays (gross)	-26	-50	-55
74.40	Obligated balance, end of year	64	78	100
Outlays (gross), detail:				
86.93	Outlays from discretionary balances	26	50	55
Net budget authority and outlays:				
89.00	Budget authority	57	64	77
90.00	Outlays	26	50	55

23.95	Total new obligations		-3,920	
24.40	Unobligated balance carried forward, end of year			
Change in obligated balances:				
72.40	Obligated balance, start of year			2,940
73.10	Total new obligations		3,920	
73.20	Total outlays (gross)		-980	-1,960
74.40	Obligated balance, end of year		2,940	980
Outlays (gross), detail:				
86.98	Outlays from mandatory balances		980	1,960
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays		980	1,960

The Budget requests \$77 million for this account, which comprises the Self-Help Homeownership Opportunity Program (SHOP) and the Capacity Building for Community Development and Affordable Housing Program (formerly called Section 4).

For the 2010 Budget, \$27 million is provided to SHOP to assist low-income homebuyers willing to contribute "sweat equity" toward the construction of their houses. Assistance is provided through competitive grants to eligible national and regional non-profits and consortia for land acquisition for home sites and improvement of utilities and other site infrastructure. Those funds will increase the ability of non-profit organizations to leverage funds from other sources and will produce at least 2,000 new homeownership units for very low to low-income people. The program has shown that it can leverage at least seven dollars from other sources for each Federal dollar spent.

The Capacity Building for Community Development and Affordable Housing program is authorized by Section 4 of the HUD Demonstration Act of 1993, which established HUD's participation in the privately organized and initiated National Community Development Initiative. The 2010 Budget request for the program is \$50 million, which generates a required match of three dollars from private sources, for a total of \$200 million for program activities. The Capacity Building program provides competitive grants to national intermediaries to develop, enhance, and strengthen the technical and administrative capabilities of community development corporations to carry out community development and affordable housing activities for low- and moderate-income persons.

The Neighborhood Stabilization Program (NSP) was authorized by the Housing and Economic Recovery Act of 2008 (HERA) and funded at \$3.92 billion. In response to the foreclosure crisis, HERA directed HUD to develop a formula to distribute the funds to states and local governments with the greatest need. To determine the areas with the greatest need, the allocation formula had to be based on home foreclosures, subprime loans, and mortgage defaults or delinquencies. Grantees may use NSP funds for a number of eligible activities, including establish financing mechanisms; purchase and rehabilitate abandoned or foreclosed properties; establish land banks; demolish blighted structures; and redevelop vacant or demolished property. NSP grantees must use at least 25 percent of the funds appropriated for the purchase and redevelopment of abandoned or foreclosed residential properties that will be used to house individuals or families whose incomes do not exceed 50 percent of the area median income. In addition, all activities funded by NSP must benefit low- and moderate-income persons whose income does not exceed 120 percent of area median income.

HUD made direct NSP allocations to 309 jurisdictions, including all 50 states, Puerto Rico and the Insular Areas. HERA was enacted on July 30, 2008 and HUD announced approval of all NSP plans by mid-March 2009. Pursuant to HERA, grantees will have 18 months from the date funds are made available to obligate the funds, meaning that all obligations and substantial disbursements are expected by the end of 2010.

The American Recovery and Reinvestment Act of 2009 (ARRA) made several changes to the NSP program as enacted by HERA and appropriated an additional \$2 billion in funding for the NSP program under Community Development Block Grants (CDBG). The ARRA funding for NSP will be reflected under CDBG and will be distributed by competition pursuant to ARRA and will be open to states, local governments, non-profit organizations, and consortia of non-profits.

NEIGHBORHOOD STABILIZATION PROGRAM

Program and Financing (in millions of dollars)

Identification code 86-0344-0-1-451		2008 actual	2009 est.	2010 est.
Obligations by program activity:				
09.10	Reimbursable program		3,920	
10.00	Total new obligations (object class 41.0)		3,920	
Budgetary resources available for obligation:				
21.45	Adjustments to unobligated balance carried forward, start of year		3,920	

HOMELESS ASSISTANCE GRANTS

[(INCLUDING TRANSFER OF FUNDS)]

For the emergency shelter grants program as authorized under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act, as amended; the supportive housing program as authorized under subtitle C of title IV of such Act; the section 8 moderate rehabilitation single room occupancy program as authorized under the United States Housing Act of 1937, as amended, to assist homeless individuals pursuant to section 441 of the McKinney-Vento Homeless Assistance Act; and the shelter plus care program as authorized under subtitle F of title IV of such Act, **[\$1,677,000,000]** \$1,793,715,000, of which **[\$1,672,000,000]** \$1,788,715,000 shall remain available until September 30, **[2011]** 2012, and of which \$5,000,000 shall remain available until expended for rehabilitation projects with 10-year grant terms: *Provided*, **[**That of the amount provided, \$10,000,000 shall be made available to conduct a demonstration

HOMELESS ASSISTANCE GRANTS—Continued

program on the prevention of homelessness among the Nation's veterans: *Provided further*, That the Secretary shall work in coordination with the Department of Veterans Affairs and the Department of Labor to select a limited number of urban and rural sites in which to carry out this demonstration: *Provided further*, That in selecting sites, the Secretary shall evaluate the rate of homelessness among veterans in the area, and the experience of the grantees in coordinating with Department of Veterans Affairs and the Department of Labor to enable veterans to access mainstream programs: *Provided further*, That of the sites selected, up to three shall have a high number of service members separating from the military and transitioning into civilian life: *Provided further*, That the Secretary shall also select up to four sites located in rural areas to evaluate how to effectively serve veterans in rural areas, many of whom may have been part of the National Guard, may have limited access to the Department of Veterans Affairs medical centers, and may have dependent family members: *Provided further*, That funding made available under this demonstration shall be available for housing and appropriate services to prevent veterans and their families from becoming homeless or reduce the length of time veterans and their families are homeless: *Provided further*, That of the amounts made available under this heading, not to exceed \$750,000 may be available for an evaluation of this demonstration: *Provided further*, That not less than 30 percent of funds made available, excluding amounts provided for renewals under the shelter plus care program and emergency shelter grants, shall be used for permanent housing for individuals and families: *Provided further*, That all funds awarded for services shall be matched by not less than 25 percent in funding by each grantee: *Provided further*, That for all match requirements applicable to funds made available under this heading for this fiscal year and prior years, a grantee may use (or could have used) as a source of match funds other funds administered by the Secretary and other Federal agencies unless there is (or was) a specific statutory prohibition on any such use of any such funds: *Provided further*, That the Secretary shall renew on an annual basis expiring contracts or amendments to contracts funded under the shelter plus care program if the program is determined to be needed under the applicable continuum of care and meets appropriate program requirements and financial standards, as determined by the Secretary: *Provided further*, That all awards of assistance under this heading shall be required to coordinate and integrate homeless programs with other mainstream health, social services, and employment programs for which homeless populations may be eligible, including Medicaid, State Children's Health Insurance Program, Temporary Assistance for Needy Families, Food Stamps, and services funding through the Mental Health and Substance Abuse Block Grant, Workforce Investment Act, and the Welfare-to-Work grant program: *Provided further*, That up to \$8,000,000 of the funds appropriated under this heading shall be available for the national homeless data analysis project and technical assistance: *Provided further*, That of the total amount made available under this heading, not to exceed \$2,675,000 may be transferred to the Working Capital Fund: *Provided further*, That \$3,000,000 of the funds appropriated under this heading shall be used to conduct research on homeless issues, including homeless prevention and youth homelessness: *Provided further*, That all balances for Shelter Plus Care renewals previously funded from the Shelter Plus Care Renewal account and transferred to this account shall be available, if recaptured, for Shelter Plus Care renewals in fiscal year **2009**: *Provided further*, That this heading in the Department of Housing and Urban Development Appropriations Act, 2008 is amended by inserting the following new proviso after the third proviso: "*Provided further*, That the Secretary may renew grants made under this demonstration program and may treat such original grants and any such renewal grants as if these grants were made under the supportive housing program:" **2010**. (*Department of Housing and Urban Development Appropriations Act, 2009*.)

Program and Financing (in millions of dollars)

Identification code 86-0192-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Homeless Assistance Grants	1,174	1,455	1,384
00.02 National Homeless Data Analysis Project	4	3	.....
00.03 Technical Assistance	9	8	.....
00.04 Shelter Plus Care Renewals	331	360	405
00.05 Section 8 Moderate Rehabilitation SRO	20	5	5

00.06 Rapid Re-housing Demonstration	25	.....	.....
00.07 Recovery Act	1,500	.....	.....
10.00 Total new obligations (object class 41.0)	1,538	3,356	1,794
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1,662	1,694	1,562
22.00 New budget authority (gross)	1,539	3,174	1,794
22.10 Resources available from recoveries of prior year obligations	32	50	50
23.90 Total budgetary resources available for obligation	3,233	4,918	3,406
23.95 Total new obligations	-1,538	-3,356	-1,794
23.98 Unobligated balance expiring or withdrawn	-1	.....	.....
24.40 Unobligated balance carried forward, end of year	1,694	1,562	1,612
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	1,586	1,677	1,794
40.01 Appropriation, Recovery Act .....	.....	1,500	.....
40.36 Unobligated balance permanently reduced	-45	.....	.....
41.00 Transferred to other accounts	-2	-3	.....
43.00 Appropriation (total discretionary)	1,539	3,174	1,794
Change in obligated balances:			
72.40 Obligated balance, start of year	2,360	2,377	4,132
73.10 Total new obligations	1,538	3,356	1,794
73.20 Total outlays (gross)	-1,440	-1,551	-2,422
73.40 Adjustments in expired accounts (net)	-49	.....	.....
73.45 Recoveries of prior year obligations	-32	-50	-50
74.40 Obligated balance, end of year	2,377	4,132	3,454
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	6	77	18
86.93 Outlays from discretionary balances	1,434	1,474	2,404
87.00 Total outlays (gross)	1,440	1,551	2,422
Net budget authority and outlays:			
89.00 Budget authority	1,539	3,174	1,794
90.00 Outlays	1,440	1,551	2,422

The Homeless Assistance Grants account provides funds for the Shelter Plus Care, Supportive Housing, Emergency Shelter Grants, and Section 8 Moderate Rehabilitation Single Room Occupancy programs. These programs, which award funds through the Continuum of Care process, enable localities to shape and implement comprehensive, flexible, coordinated approaches to address the multiple issues of homelessness. Many communities have made great strides in creating comprehensive approaches to ending chronic homelessness through the development of State Interagency Councils and local plans.

The Budget requests \$1.794 billion for a wide range of activities to assist homeless persons and prevent future homelessness. HUD estimates it will use \$1.5 billion for competitive renewals, \$140 million for new competitive projects, and \$150 million for the Emergency Shelter Grants Program. The Budget places a major emphasis on permanent housing for homeless individuals and families by requiring 30 percent of competitive funds to be used for this purpose. In 2008, 62.5 percent of competitive funds awarded were used for housing purposes and it is estimated that the Budget will support approximately 183,000 emergency, transitional and permanent beds for homeless families and individuals.

The Administration will again support legislation to combine HUD's three competitive grant programs—Shelter Plus Care, Supportive Housing, and Section 8 Moderate Rehabilitation Single Room Occupancy—into a single program with flexibility to better meet community needs. The Department continues to pursue expanded interagency efforts to meet the needs of the homeless.

Funding for program evaluation and technical assistance is requested under the transformation initiative.

PERMANENT SUPPORTIVE HOUSING

Program and Financing (in millions of dollars)

Identification code 86-0342-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Homeless Grants		50	
00.02 Project-Based Vouchers		23	
10.00 Total new obligations (object class 41.0)		73	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		73	
22.00 New budget authority (gross)	73		
23.90 Total budgetary resources available for obligation	73	73	
23.95 Total new obligations		-73	
24.40 Unobligated balance carried forward, end of year	73		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	73		
Change in obligated balances:			
72.40 Obligated balance, start of year			40
73.10 Total new obligations		73	
73.20 Total outlays (gross)		-33	-10
74.40 Obligated balance, end of year		40	30
Outlays (gross), detail:			
86.93 Outlays from discretionary balances		33	10
Net budget authority and outlays:			
89.00 Budget authority	73		
90.00 Outlays		33	10

The Supplemental Appropriations Act, 2008 (P.L. 110-252) created this new account and provided \$73 million for permanent supportive housing assistance as referenced in the Road Home Program of the Louisiana Recovery Authority (LRA). Of the total amount appropriated, \$50 million is for permanent supportive housing, which serves approximately 1,000 homeless individuals and families living with disabilities. These grants are administered under the Shelter Plus Care program, as authorized under subtitle F of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11403 et seq.). The LRA would be eligible to apply for Homeless Assistance Grants to renew this assistance. Additionally, this account provides \$23 million in project-based rental assistance vouchers to LRA to support an estimated 2,000 elderly and disabled disaster victims, as authorized, under section 8(o)(13) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(13)). Beginning in 2010, these vouchers will be funded within the Tenant-Based Rental Assistance account.

RURAL HOUSING AND ECONOMIC DEVELOPMENT

For the Office of Rural Housing and Economic Development in the Department of Housing and Urban Development, \$26,000,000, to remain available until expended, which amount shall be competitively awarded by September 1, 2009, to Indian tribes, State housing finance agencies, State community and/or economic development agencies, local rural nonprofits and community development corporations to support innovative housing and economic development activities in rural areas: *Provided*, That of the total amount made available under this heading, not less than \$5,000,000 shall be made available to promote economic development and entrepreneurship for federally recognized Indian Tribes, through activities including the capitalization of revolving loan programs and

business planning and development, funding is also made available for technical assistance to increase capacity through training and outreach activities. (Department of Housing and Urban Development Appropriations Act, 2009.)

Program and Financing (in millions of dollars)

Identification code 86-0324-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Rural Housing	17	18	26
10.00 Total new obligations (object class 41.0)	17	18	26
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	21	18	26
22.00 New budget authority (gross)	13	26	
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	35	44	26
23.95 Total new obligations	-17	-18	-26
24.40 Unobligated balance carried forward, end of year	18	26	
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	17	26	
40.36 Unobligated balance permanently reduced	-4		
43.00 Appropriation (total discretionary)	13	26	
Change in obligated balances:			
72.40 Obligated balance, start of year	38	37	31
73.10 Total new obligations	17	18	26
73.20 Total outlays (gross)	-17	-24	-26
73.45 Recoveries of prior year obligations	-1		
74.40 Obligated balance, end of year	37	31	31
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority		1	
86.93 Outlays from discretionary balances	17	23	26
87.00 Total outlays (gross)	17	24	26
Net budget authority and outlays:			
89.00 Budget authority	13	26	
90.00 Outlays	17	24	26

The 2010 Budget does not provide any funding for the Rural Housing and Economic Development (RHED) program. The RHED program was created to encourage innovative approaches to serve the housing and economic development needs of the nation's rural communities. Alternatively, the Budget is proposing a new, Rural Innovations Fund to be funded within the Community Development Block Grant account. This initiative will identify and test meaningful practices and strategies that will inform communities on best practices, in order to replicate these effective housing efforts in communities across the nation.

URBAN DEVELOPMENT ACTION GRANTS

Program and Financing (in millions of dollars)

Identification code 86-0170-0-1-451	2008 actual	2009 est.	2010 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	2		
22.00 New budget authority (gross)	-1		
22.21 Unobligated balance transferred to other accounts	-1		
23.90 Total budgetary resources available for obligation			
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.36 Unobligated balance permanently reduced	-1		

URBAN DEVELOPMENT ACTION GRANTS—Continued
Program and Financing —Continued

Identification code 86-0170-0-1-451	2008 actual	2009 est.	2010 est.
Change in obligated balances:			
72.40	Obligated balance, start of year	3	
73.20	Total outlays (gross)	-3	
74.40	Obligated balance, end of year		
Outlays (gross), detail:			
86.93	Outlays from discretionary balances	3	
Net budget authority and outlays:			
89.00	Budget authority	-1	
90.00	Outlays	3	

The Urban Development Action Grants program was terminated in 1990. These grants were for distressed cities and urban counties to fund economic development projects, and were authorized by Title I of the Housing and Community Development Act of 1974, as amended. This account expects no more activity beyond 2008 as it has obligated and expended the last of its funds.

REVOLVING FUND (LIQUIDATING PROGRAMS)
Program and Financing (in millions of dollars)

Identification code 86-4015-0-3-451	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01	Section 312 expenses	1	1
10.00	Total new obligations (object class 32.0)	1	1
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	1	
22.00	New budget authority (gross)	1	2
22.40	Capital transfer to general fund	-1	-1
23.90	Total budgetary resources available for obligation	1	1
23.95	Total new obligations	-1	-1
24.40	Unobligated balance carried forward, end of year		
New budget authority (gross), detail:			
Mandatory:			
60.00	Appropriation	1	1
69.00	Offsetting collections (cash)		1
70.00	Total new budget authority (gross)	1	2
Change in obligated balances:			
72.40	Obligated balance, start of year	3	4
73.10	Total new obligations	1	1
73.20	Total outlays (gross)		-4
74.40	Obligated balance, end of year	4	1
Outlays (gross), detail:			
86.97	Outlays from new mandatory authority		2
86.98	Outlays from mandatory balances		2
87.00	Total outlays (gross)		4
Offsets:			
Against gross budget authority and outlays:			
88.40	Offsetting collections (cash) from: Non-Federal sources		-1
Net budget authority and outlays:			
89.00	Budget authority	1	1
90.00	Outlays		3

Status of Direct Loans (in millions of dollars)

Identification code 86-4015-0-3-451	2008 actual	2009 est.	2010 est.
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	6	6

1251	Repayments: Repayments and prepayments	-1	-1
1263	Write-offs for default: Direct loans	-1	-1
1290	Outstanding, end of year	6	4

The Revolving Fund (liquidating programs) was established by the Independent Offices Appropriations Act of 1955 for the efficient liquidation of assets acquired under a number of housing and urban development programs, all of which are no longer active. The operational expenses are financed from a permanent, indefinite appropriation to administer the remaining repayments of loans and recaptures in the portfolio. Annually, any amounts in the account are returned as a dividend to the Treasury.

The Section 312 loan program portfolio, which provided first and junior lien financing at below market interest rates for the rehabilitation of homes in low-income neighborhoods, constituted a large portion of the account activities. This program ceased to originate new loans over ten years ago. Since the sale of the Section 312 loan portfolio to the private sector in 2001, activity in this account has been minimal.

Balance Sheet (in millions of dollars)

Identification code 86-4015-0-3-451	2007 actual	2008 actual
ASSETS:		
1101	Federal assets: Fund balances with Treasury	4
1601	Direct loans, gross	6
1603	Allowance for estimated uncollectible loans and interest (-)	-6
1604	Direct loans and interest receivable, net	
1606	Foreclosed property	1
1699	Value of assets related to direct loans	1
1999	Total assets	5
LIABILITIES:		
2207	Non-Federal liabilities: Other	1
2999	Total liabilities	1
NET POSITION:		
3100	Appropriated capital	4
3999	Total net position	4
4999	Total liabilities and net position	5

COMMUNITY DEVELOPMENT LOAN GUARANTEES PROGRAM ACCOUNT

For the cost of guaranteed loans, \$6,000,000, to remain available until September 30, 2010, as authorized by section 108 of the Housing and Community Development Act of 1974 (42 U.S.C. 5308): *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$275,000,000, notwithstanding any aggregate limitation on outstanding obligations guaranteed in section 108(k) of the Housing and Community Development Act of 1974, as amended. *Subject to section 502 of the Congressional Budget Act of 1974, during fiscal year 2010, commitments to guarantee loans under section 108 of the Housing and Community Development Act of 1974, any part of which is guaranteed, shall not exceed a total principal amount of \$275,000,000, notwithstanding any aggregate limitation on outstanding obligations guaranteed in subsection (k) of such section 108: Provided, That the Secretary shall collect fees from borrowers, notwithstanding subsection (m) of such section 108, to result in a credit subsidy cost of zero, and such fees shall be collected in accordance with section 502(7) of the Congressional Budget Act of 1974. (Department of Housing and Urban Development Appropriations Act, 2009.)*

Program and Financing (in millions of dollars)

Identification code 86-0198-0-1-451	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.02	Community development loan guarantee credit subsidy	4	7

00.07	Upward Reestimate of Loan Guarantee	3	3	.....
00.08	Interest on reestimate	1		.....
10.00	Total new obligations	8	10	.....

Budgetary resources available for obligation:

21.40	Unobligated balance carried forward, start of year		1	.....
22.00	New budget authority (gross)	9	9	.....
23.90	Total budgetary resources available for obligation	9	10	.....
23.95	Total new obligations	-8	-10	.....
24.40	Unobligated balance carried forward, end of year	1		.....

New budget authority (gross), detail:

Discretionary:				
40.00	Appropriation	5	6	.....
Mandatory:				
60.00	Appropriation	4	3	.....
70.00	Total new budget authority (gross)	9	9	.....

Change in obligated balances:

72.40	Obligated balance, start of year	15	13	13
73.10	Total new obligations	8	10	.....
73.20	Total outlays (gross)	-8	-10	-2
73.40	Adjustments in expired accounts (net)	-2		.....
74.40	Obligated balance, end of year	13	13	11

Outlays (gross), detail:

86.90	Outlays from new discretionary authority	1	1	-5
86.93	Outlays from discretionary balances	3	6	7
86.97	Outlays from new mandatory authority	4	3	.....
87.00	Total outlays (gross)	8	10	2

Net budget authority and outlays:

89.00	Budget authority	9	9	.....
90.00	Outlays	8	10	2

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86-0198-0-1-451	2008 actual	2009 est.	2010 est.	
Guaranteed loan levels supportable by subsidy budget authority:				
215001	Community development loan guarantee levels	160	307	.....
215999	Total loan guarantee levels	160	307	.....
Guaranteed loan subsidy (in percent):				
232001	Community development loan guarantee levels	2.25	2.26	0.00
232999	Weighted average subsidy rate	2.25	2.26	0.00
Guaranteed loan subsidy budget authority:				
233001	Community development loan guarantee levels	4	7	.....
233999	Total subsidy budget authority	4	7	.....
Guaranteed loan subsidy outlays:				
234001	Community development loan guarantee levels	4	3	2
234999	Total subsidy outlays	4	3	2
Guaranteed loan upward reestimates:				
235001	Community development loan guarantee levels	4	3	.....
235999	Total upward reestimate budget authority	4	3	.....
Guaranteed loan downward reestimates:				
237001	Community development loan guarantee levels	-3	-7	.....
237999	Total downward reestimate subsidy budget authority	-3	-7	.....

The 2010 Budget requests no appropriations for the Community Development Loan Guarantee program (Section 108). Carry over Section 108 Loan Guarantee credit subsidy in this account will continue to be used until exhausted. The program will continue to be administered, but restructured based on a legislative proposal that would require zero credit subsidy cost. Program activities include economic development projects, housing rehabilitation, public facilities rehab, construction or installation for the benefit of low- to moderate-income persons, or to aid in the prevention of slums.

As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs associated with the loan guarantees committed since 1992 (including modifications of direct loans

or loan guarantees that resulted from obligations or commitments in any year), as well as administrative expenses for this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

Object Classification (in millions of dollars)

Identification code 86-0198-0-1-451	2008 actual	2009 est.	2010 est.	
Direct obligations:				
33.0	Investments and loans	7	10	.....
43.0	Interest and dividends	1		.....
99.9	Total new obligations	8	10	.....

**COMMUNITY DEVELOPMENT LOAN GUARANTEES PROGRAM ACCOUNT
(Legislative proposal, not subject to PAYGO)**

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86-0198-2-1-451	2008 actual	2009 est.	2010 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001	Community development loan guarantee levels		275
215999	Total loan guarantee levels		275
Guaranteed loan subsidy (in percent):			
232001	Community development loan guarantee levels		0.00

The 2010 Budget includes a legislative proposal that would eliminate the prohibition to collect fees for the Section 108 Loan Guarantees Program. A fee schedule would be published annually and the upfront amounts would be collected when HUD guarantees the debt obligation issued by the Section 108 borrower (i.e., the public entity).

The Section 108 Loan Guarantees Program is a source of financing for economic development, housing rehabilitation, public facilities rehab, construction or installation for the benefit of low- to moderate-income persons, or to aid in the prevention of slums. It allows local jurisdictions to transform a small portion of their CDBG funds into federally guaranteed loans large enough to pursue physical and economic revitalization projects that are often needed to inspire private economic activity in distressed areas.

COMMUNITY DEVELOPMENT LOAN GUARANTEES FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4096-0-3-451	2008 actual	2009 est.	2010 est.	
Obligations by program activity:				
08.02	Payment of Downward Reestimate to Receipt Account	2	4	.....
08.04	Payment of Downward Reestimate to Receipt Account (Interest)	1	3	.....
10.00	Total new obligations	3	7	.....
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	101	109	112
22.00	New financing authority (gross)	11	10	6
23.90	Total budgetary resources available for obligation	112	119	118
23.95	Total new obligations	-3	-7	.....
24.40	Unobligated balance carried forward, end of year	109	112	118
New financing authority (gross), detail:				
Mandatory:				
69.00	Offsetting collections (cash)	13	10	6
69.10	Change in uncollected customer payments from Federal sources (unexpired)	-2		.....
69.90	Spending authority from offsetting collections (total mandatory)	11	10	6
Change in obligated balances:				
72.40	Obligated balance, start of year	-15	-13	-6

COMMUNITY DEVELOPMENT LOAN GUARANTEES FINANCING ACCOUNT—Continued
Program and Financing —Continued

Identification code 86-4096-0-3-451	2008 actual	2009 est.	2010 est.
73.10 Total new obligations	3	7	.....
73.20 Total financing disbursements (gross)	-3	.....	.....
74.00 Change in uncollected customer payments from Federal sources (unexpired)	2	.....	.....
74.40 Obligated balance, end of year	-13	-6	-6
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	3	.....	.....
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal Sources: Payments from Program Account	-8	-6	-2
88.25 Interest on uninvested funds	-5	-4	-4
88.90 Total, offsetting collections (cash)	-13	-10	-6
Against gross financing authority only:			
88.95 Change in receivables from program accounts	2	.....	.....
Net financing authority and financing disbursements:			
89.00 Financing authority .....	.....	.....	.....
90.00 Financing disbursements	-10	-10	-6

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4096-0-3-451	2008 actual	2009 est.	2010 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	200	265	.....
2121 Limitation available from carry-forward	3	42	.....
2142 Uncommitted loan guarantee limitation	-1	.....	.....
2143 Uncommitted limitation carried forward	-42	.....	.....
2150 Total guaranteed loan commitments	160	307	.....
2199 Guaranteed amount of guaranteed loan commitments	160	.....	.....
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	2,275	2,189	2,006
2231 Disbursements of new guaranteed loans	195	117	61
2251 Repayments and prepayments	-281	-300	-250
2290 Outstanding, end of year	2,189	2,006	1,817
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	2,189	2,006	1,817

Guaranteed loans. The 2010 Budget does not request funding for the Section 108 Loan Guarantees program. The Administration requests legislation to allow HUD to collect fees to offset credit subsidy costs. The financing account shows the status of privately financed guaranteed loan commitments made in and after 1992. An accompanying liquidating account shows activity for Federal Financing Bank (FFB) direct loan activity obligated prior to July 1, 1986, and any pre-1992 loan guarantee activity.

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1992 and beyond (including modifications of loan guarantees that resulted from commitments in any year). The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

Balance Sheet (in millions of dollars)

Identification code 86-4096-0-3-451	2007 actual	2008 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	87	96
1999 Total assets	87	96

LIABILITIES:		
2204 Non-Federal liabilities: Liabilities for loan guarantees	87	96
2999 Total liabilities	87	96
4999 Total liabilities and net position	87	96

COMMUNITY DEVELOPMENT LOAN GUARANTEES FINANCING ACCOUNT
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 86-4096-2-3-451	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Default Claims	2
10.00 Total new obligations	2
Budgetary resources available for obligation:			
22.00 New financing authority (gross)	2
23.95 Total new obligations	-2
24.40 Unobligated balance carried forward, end of year
New financing authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	2
Change in obligated balances:			
73.10 Total new obligations	2
74.40 Obligated balance, end of year	2
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from: Offsetting Collections (cash)			
88.40	-2
Net financing authority and financing disbursements:			
89.00 Financing authority
90.00 Financing disbursements	-2

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4096-2-3-451	2008 actual	2009 est.	2010 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	275
2142 Uncommitted loan guarantee limitation
2143 Uncommitted limitation carried forward
2150 Total guaranteed loan commitments	275
2199 Guaranteed amount of guaranteed loan commitments	275
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year
2231 Disbursements of new guaranteed loans	47
2251 Repayments and prepayments	-4
2263 Adjustments: Terminations for default that result in claim payments	2
2290 Outstanding, end of year	45
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	45

The 2010 Budget includes a legislative proposal that would eliminate the prohibition to collect fees for the Section 108 Loan Guarantees Program. A fee schedule would be published annually and the upfront amounts would be collected when HUD guarantees the debt obligation issued by the Section 108 borrower (i.e., the public entity). The amounts in this account are a means of finance and are not included in the budget totals.

The Section 108 Loan Guarantees Program is a source of financing for economic development, housing rehabilitation, public

facilities rehab, construction or installation for the benefit of low-to moderate-income persons, or to aid in the prevention of slums. It allows local jurisdictions to transform a small portion of their CDBG funds into federally guaranteed loans large enough to pursue physical and economic revitalization projects that are often needed to inspire private economic activity in distressed areas.

Balance Sheet (in millions of dollars)

Identification code 86-4097-0-3-451	2007 actual	2008 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	-4	-3
Investments in US securities:		
1106 Receivables, net	4	3
1999 Total assets		

COMMUNITY DEVELOPMENT LOAN GUARANTEES LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4097-0-3-451	2008 actual	2009 est.	2010 est.
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	1		
69.10 Change in uncollected customer payments from Federal sources (unexpired)	-1		
69.90 Spending authority from offsetting collections (total mandatory)			
Change in obligated balances:			
72.40 Obligated balance, start of year	-4	-3	-3
74.00 Change in uncollected customer payments from Federal sources (unexpired)	1		
74.40 Obligated balance, end of year	-3	-3	-3
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-1		
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	1		
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-1		

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4097-0-3-451	2008 actual	2009 est.	2010 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	30	23	17
2251 Repayments and prepayments	-7	-6	-5
2290 Outstanding, end of year	23	17	12
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	23	17	12

Guaranteed loans. Guaranteed loan assistance under the Community Development Loan Guarantee (Section 108) program is provided to eligible communities to finance economic development activities, such as housing rehabilitation, development or expansion of public facilities, acquisition of real property, and rehabilitation of publicly-owned real property. Until 1986, the Federal Financing Board (FFB) in the Department of Treasury financed these guaranteed loans. The Consolidated Omnibus Budget Reconciliation Act of 1985 required private financing of all loan guarantees committed after July 1, 1986, but the FFB will continue disbursing loans for commitments approved prior to July 1, 1986. The activity shown in the above account reflects privately financed guaranteed loans for which commitments were made prior to 1992.

As required by the Federal Credit Reform Act of 1990, this liquidating account records all cash flows to and from the Government resulting from FFB direct loans for which loan guarantees were committed prior to 1992. This account is shown on a cash basis.

HOUSING PROGRAMS

Federal Funds

HOUSING FOR THE ELDERLY

(INCLUDING TRANSFER OF FUNDS)

For capital advances, including amendments to capital advance contracts, for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance for the elderly under section 202(c)(2) of such Act, including amendments to contracts for such assistance [and renewal of expiring contracts for such assistance for up to a 1-year term,] and for supportive services associated with the housing, [\$765,000,000] \$522,000,000, to remain available until September 30, [2012, of which up to \$626,400,000 shall be for capital advance and project-based rental assistance awards] 2013: *Provided, That amounts for project rental assistance contracts are to remain available for the liquidation of valid obligations for ten years following the date of such obligation: Provided* [, That, of the amount provided under this heading] further, *That amounts provided under this heading shall be available for Real Estate Assessment Center inspections and inspection-related activities for section 202 capital advance projects: [, up to \$90,000,000 shall be for service coordinators and the continuation of existing congregate service grants for residents of assisted housing projects, and of which up to \$25,000,000 shall be for grants under section 202b of the Housing Act of 1959 (12 U.S.C. 1701q-2) for conversion of eligible projects under such section to assisted living or related use and for substantial and emergency capital repairs as determined by the Secretary: Provided further, That of the amount made available under this heading, \$20,000,000 shall be available to the Secretary of Housing and Urban Development only for making competitive grants to private non-profit organizations and consumer cooperatives for covering costs of architectural and engineering work, site control, and other planning relating to the development of supportive housing for the elderly that is eligible for assistance under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q): Provided further, That amounts under this heading shall be available for Real Estate Assessment Center inspections and inspection-related activities associated with section 202 capital advance projects: Provided further, That up to \$2,000,000 of the total amount made available under this heading shall be for technical assistance to improve grant applications and to facilitate the development of housing for the elderly under section 202 of the Housing Act of 1959, and supportive housing for persons with disabilities under section 811 of the Cranston-Gonzales National Affordable Housing Act: Provided further, That of the total amount made available under this heading, not to exceed \$1,600,000 may be transferred to the Working Capital Fund:] *Provided further, That the Secretary may waive the provisions of section 202 governing the terms and conditions of project rental assistance, except that the initial contract term for such assistance shall not exceed 5 years in duration: Provided further, That amounts made available under this heading may be transferred to the account under the heading "Housing for the Elderly Contract Renewals and Amendments" for renewal of project rental assistance contracts: Provided further, That the appropriation for such account shall not be increased by more than 10 percent by such transfers. (Department of Housing and Urban Development Appropriations Act, 2009.)**

Program and Financing (in millions of dollars)

Identification code 86-0320-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Expansion	642	647	522

HOUSING FOR THE ELDERLY—Continued
Program and Financing —Continued

Identification code 86-0320-0-1-604	2008 actual	2009 est.	2010 est.
00.02 Rental assistance renewal and operating expenses	136	137	.....
10.00 Total new obligations (object class 41.0)	778	784	522
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	824	773	751
22.00 New budget authority (gross)	721	763	522
22.10 Resources available from recoveries of prior year obligations ...	7	.....	.....
23.90 Total budgetary resources available for obligation	1,552	1,536	1,273
23.95 Total new obligations	-778	-784	-522
23.98 Unobligated balance expiring or withdrawn	-1	-1	.....
24.40 Unobligated balance carried forward, end of year	773	751	751
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	735	765	522
40.36 Unobligated balance permanently reduced	-13	-1	.....
41.00 Transferred to other accounts	-1	-1	.....
43.00 Appropriation (total discretionary)	721	763	522
Change in obligated balances:			
72.40 Obligated balance, start of year	3,971	3,728	3,539
73.10 Total new obligations	778	784	522
73.20 Total outlays (gross)	-1,008	-973	-746
73.40 Adjustments in expired accounts (net)	-6	.....	.....
73.45 Recoveries of prior year obligations	-7	.....	.....
74.40 Obligated balance, end of year	3,728	3,539	3,315
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	1,008	973	746
Net budget authority and outlays:			
89.00 Budget authority	721	763	522
90.00 Outlays	1,008	973	746

This account includes expansion activities under the Section 202 Housing for the Elderly Program, including funding for the construction of new units via capital advance grants to nonprofit owners, provided that the owner reserves the units for very low-income elderly individuals for no less than 40 years. Expansion activities also include project rental assistance (PRAC) provided for an initial period (usually 3 years) to each new project.

The Budget proposes separate account funding for supportive housing for the elderly for PRAC renewals, service coordinators and congregate services, conversion to assisted living, and other operating expenses. This will allow the display of "fixed costs" associated with existing units to be separate from the "variable costs" of building new units.

HOUSING FOR THE ELDERLY

	2008 actual	2009 est.	2010 est.
Units eligible for payment	99,221	106,134	113,530

HOUSING FOR THE ELDERLY CONTRACT RENEWALS AND AMENDMENTS

(INCLUDING TRANSFER OF FUNDS)

For renewal of project rental assistance for supportive housing for the elderly under section 202(c)(2) of the Housing Act of 1959, including amendments to contracts for such assistance, \$243,000,000, to remain available until September 30, 2013: *Provided, That of the amount provided under this heading, up to \$90,000,000 shall be for service coordinators and the continuation of existing congregate service grants for residents of assisted housing projects and not to exceed \$25,000,000 shall be for grants under section 202b of the Housing Act of 1959 (12 U.S.C. 1701q-2) for conversion of eligible projects to assisted living or related use or for substantial and emergency capital repairs as determined by the Secretary:*

Provided further, That the Secretary may waive the provisions of section 202 governing the terms and conditions of project rental assistance: Provided further, That up to 10 percent of the funds made available under this heading may be transferred to the account under the heading "Housing for the Elderly" for new project awards.

Program and Financing (in millions of dollars)

Identification code 86-0404-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Rental assistance renewal and operating expenses	230
10.00 Total new obligations (object class 41.0)	230
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	243
23.95 Total new obligations	-230
24.40 Unobligated balance carried forward, end of year	13
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	243
Change in obligated balances:			
73.10 Total new obligations	230
73.20 Total outlays (gross)	-94
74.40 Obligated balance, end of year	136
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	94
Net budget authority and outlays:			
89.00 Budget authority	243
90.00 Outlays	94

The Budget proposes this new account for funding for supportive housing for the elderly for renewal of project rental assistance contracts (PRAC), service coordinators and congregate services, conversion to assisted living, and other operating expenses. Rental assistance renewal and operating expenses fund the difference between a HUD-approved, per-unit operating cost and (usually) 30 percent of the tenant's adjusted income.

HOUSING FOR PERSONS WITH DISABILITIES

(INCLUDING TRANSFER OF FUNDS)

For capital advance contracts, including amendments to capital advance contracts, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013), for project rental assistance for supportive housing for persons with disabilities under section 811(d)(2) of such Act, including amendments to contracts for such assistance [and renewal of expiring contracts for such assistance for up to a 1-year term,] and for supportive services associated with the housing for persons with disabilities as authorized by section 811(b)(1) of such Act, [and for tenant-based rental assistance contracts entered into pursuant to section 811 of such Act, \$250,000,000, of which up to \$161,300,000 shall be for capital advances and project-based rental assistance contracts,] \$114,000,000, to remain available until September 30, [2012] 2013: *Provided, That amounts for project rental assistance contracts are to remain available for the liquidation of valid obligations for ten years following the date of such obligation: [That of the total amount made available under this heading, not to exceed \$1,600,000 may be transferred to the Working Capital Fund: Provided further, That, of the amount provided under this heading, \$87,100,000 shall be for amendments or renewal of tenant-based assistance contracts entered into prior to fiscal year 2005 (only one amendment authorized for any such contract): Provided further, That all tenant-based assistance made available under this heading shall continue to remain available only to persons with disabilities: Provided further,] Provided further, That the Secretary may waive the provisions of section 811 governing the terms and conditions of project rental assistance and tenant-*

based assistance, except that the initial contract term for such assistance shall not exceed 5 years in duration: *Provided further*, That amounts made available under this heading shall be available for Real Estate Assessment Center inspections and inspection-related activities associated with section 811 Capital Advance Projects: *Provided further*, That amounts made available under this heading may be transferred to the account under the heading "Housing for Persons with Disabilities Contract Renewals and Amendments" for renewal of project rental assistance contracts: *Provided further*, That the appropriation for such account shall not be increased by more than 10 percent by such transfers. (Department of Housing and Urban Development Appropriations Act, 2009.)

HOUSING FOR PERSONS WITH DISABILITIES CONTRACT RENEWALS AND AMENDMENTS

(INCLUDING TRANSFER OF FUNDS)

For renewal of project rental assistance for supportive housing for persons with disabilities under section 811(d)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013), including amendments to contracts for such assistance, \$136,000,000, to remain available until September 30, 2013: *Provided*, That of the amount provided under this heading, \$87,100,000 shall be for amendments to or renewal of tenant-based assistance contracts entered into prior to fiscal year 2006 (only one amendment is authorized for any such contract): *Provided further*, That all tenant-based assistance made available under this heading shall continue to remain available only to persons with disabilities: *Provided further*, That the Secretary may waive the provisions of section 811 governing the terms and conditions of project rental assistance and tenant-based assistance: *Provided further*, That up to 10 percent of the funds made available under this heading may be transferred to the account under the heading "Housing for Persons with Disabilities" for new project awards.

Program and Financing (in millions of dollars)

Identification code 86-0237-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Expansion	135	118	114
00.02 Rental assistance renewal and operating expenses	121	106	.....
10.00 Total new obligations (object class 41.0)	256	224	114
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	224	204	228
22.00 New budget authority (gross)	231	248	114
22.10 Resources available from recoveries of prior year obligations	5	.....	.....
23.90 Total budgetary resources available for obligation	460	452	342
23.95 Total new obligations	-256	-224	-114
24.40 Unobligated balance carried forward, end of year	204	228	228
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	237	250	114
40.36 Unobligated balance permanently reduced	-5	.....	.....
41.00 Transferred to other accounts	-1	-2	.....
43.00 Appropriation (total discretionary)	231	248	114
Change in obligated balances:			
72.40 Obligated balance, start of year	1,102	1,028	960
73.10 Total new obligations	256	224	114
73.20 Total outlays (gross)	-321	-292	-225
73.40 Adjustments in expired accounts (net)	-4	.....	.....
73.45 Recoveries of prior year obligations	-5	.....	.....
74.40 Obligated balance, end of year	1,028	960	849
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	321	292	225
Net budget authority and outlays:			
89.00 Budget authority	231	248	114
90.00 Outlays	321	292	225

This account includes expansion activities funded under the section 811 Housing for Persons with Disabilities program including funding for the construction of new units via capital advance grants to nonprofit owners, provided that the owner reserves the units for very low-income persons with disabilities for no less than 40 years. Expansion activities also include project rental assistance (PRAC) provided for an initial period (usually 3 years) to each new project. The Budget proposes a new account for PRAC renewals, amendments, and operating expenses. This will allow the display of "fixed costs" associated with existing units to be separate from the "variable costs" of building new units.

HOUSING FOR PERSONS WITH DISABILITIES

	2008 actual	2009 est.	2010 est.
Units eligible for payment	28,041	29,991	32,078

Program and Financing (in millions of dollars)

Identification code 86-0403-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Rental assistance renewal and operating expenses	129
10.00 Total new obligations (object class 41.0)	129
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	136
23.95 Total new obligations	-129
24.40 Unobligated balance carried forward, end of year	7
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	136
Change in obligated balances:			
73.10 Total new obligations	129
73.20 Total outlays (gross)	-50
74.40 Obligated balance, end of year	79
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	50
Net budget authority and outlays:			
89.00 Budget authority	136
90.00 Outlays	50

The Budget proposes this new account for funding for supportive housing for persons with disabilities for renewal of project rental assistance contracts (PRAC), vouchers for persons with disabilities, and amendments. Rental assistance renewal and operating expenses fund the difference between a HUD-approved, per-unit operating cost and (usually) 30 percent of the tenant's adjusted income, and annual costs associated with renewing "main stream" vouchers reserved for persons with disabilities, which are administered by the Office of Public and Indian Housing.

HOUSING COUNSELING ASSISTANCE

For contracts, grants, and other assistance excluding loans, as authorized under section 106 of the Housing and Urban Development Act of 1968, as amended, [\$65,000,000] \$100,000,000, including up to [\$2,000,000] \$2,500,000 for administrative contract services, to remain available until September 30, [2010] 2011: *Provided*, That funds shall be used for providing counseling and advice to tenants and homeowners, both current and prospective, with respect to property maintenance, financial management/literacy, and such other matters as may be appropriate to assist them in improving their housing conditions, meeting their

HOUSING COUNSELING ASSISTANCE—Continued

financial needs, and fulfilling the responsibilities of tenancy or homeownership; for program administration; and for housing counselor training. (*Department of Housing and Urban Development Appropriations Act, 2009.*)

Program and Financing (in millions of dollars)

Identification code 86-0156-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Housing Assistance		2	73
10.00 Total new obligations (object class 41.0)		2	73
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year			63
22.00 New budget authority (gross)		65	100
23.90 Total budgetary resources available for obligation		65	163
23.95 Total new obligations		-2	-73
24.40 Unobligated balance carried forward, end of year		63	90
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation		65	100
Change in obligated balances:			
72.40 Obligated balance, start of year			2
73.10 Total new obligations		2	73
73.20 Total outlays (gross)			-59
74.40 Obligated balance, end of year		2	16
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			10
86.93 Outlays from discretionary balances			49
87.00 Total outlays (gross)			59
Net budget authority and outlays:			
89.00 Budget authority		65	100
90.00 Outlays			59

The Housing Counseling Assistance Program provides comprehensive housing counseling services to eligible homeowners and tenants through grants to nonprofit intermediaries, state governmental entities, and other agencies with local to national presences. Eligible counseling activities include pre- and post-purchase education, personal financial management, reverse mortgage product education, foreclosure prevention/mitigation, and rental counseling. As such, the Housing Counseling Assistance Program supports the delivery of a wide variety of housing counseling services to homebuyers, homeowners, low- to moderate-income renters, and elderly citizens. The program is an important part of numerous HUD and Presidential priorities, including the Administration's current foreclosure mitigation efforts. For example, Housing Counseling is crucial to the Making Home Affordable program, announced in March 2009, that will potentially help up to 9 million families restructure or refinance their mortgages to avoid foreclosure. The primary objectives of the program are to expand homeownership opportunities, improve access to affordable housing, prevent foreclosure, increase financial literacy, and aid in HUD's commitment to bridging the minority homeownership gap. Additionally, the program supports individuals with FHA-insured loans, which helps maintain the financial soundness of the FHA insurance funds.

GREEN RETROFIT PROGRAM FOR MULTIFAMILY HOUSING , RECOVERY ACT

Program and Financing (in millions of dollars)

Identification code 86-0306-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Green Retrofit Loans		83	83
00.03 Green Retrofit Grants		34	34
00.04 Contract Administrators		13	
00.09 Administration		3	
10.00 Total new obligations (object class 41.0)		133	117
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year			117
22.00 New budget authority (gross)		250	
23.90 Total budgetary resources available for obligation		250	117
23.95 Total new obligations		-133	-117
24.40 Unobligated balance carried forward, end of year		117	
New budget authority (gross), detail:			
Discretionary:			
40.01 Appropriation, Recovery Act		2,250	
41.00 Transferred to other accounts		-2,000	
43.00 Appropriation (total discretionary)		250	
Change in obligated balances:			
72.40 Obligated balance, start of year			130
73.10 Total new obligations		133	117
73.20 Total outlays (gross)		-3	-124
74.40 Obligated balance, end of year		130	123
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority		3	
86.93 Outlays from discretionary balances			124
87.00 Total outlays (gross)		3	124
Net budget authority and outlays:			
89.00 Budget authority		250	
90.00 Outlays		3	124

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86-0306-0-1-604	2008 actual	2009 est.	2010 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Energy Retrofit Loans		92	101
115999 Total direct loan levels		92	101
Direct loan subsidy (in percent):			
132001 Energy Retrofit Loans		89.82	82.30
132999 Weighted average subsidy rate		89.82	82.30
Direct loan subsidy budget authority:			
133001 Energy Retrofit Loans		83	83
133999 Total subsidy budget authority		83	83
Direct loan subsidy outlays:			
134001 Energy Retrofit Loans		2	86
134999 Total subsidy outlays		2	86

The Green Retrofit Program (GRP) offers either a grant or loan to owners of eligible HUD-assisted multifamily housing properties to fund Green Retrofits, which are intended to reduce ongoing utility consumption, benefit resident health, and/or benefit the environment. This program is funded under Title XII of the American Recovery and Reinvestment Act of 2009, P.L. 111-5 (the Recovery Act).

ENERGY INNOVATION FUND

For an Energy Innovation Fund to enable the Federal Housing Administration and the new Office of Sustainability to catalyze innovations in the residential energy efficiency sector that have promise of replicability and help create a standardized home energy efficient retrofit market,

\$100,000,000, to remain available until September 30, 2013: Provided, That \$25,000,000 shall be for the Energy Efficient Mortgage Innovation pilot program, directed at the single family housing market: Provided further, That \$25,000,000 shall be for the Multifamily Energy Pilot, directed at the multifamily housing market: Provided further, That \$50,000,000 shall be for the Local Initiatives Fund so as to leverage additional public and private sector capital to stimulate the development of model residential energy efficient retrofits in ten or more communities: Provided further, That selected communities shall have demonstrated capacity to conduct energy efficient retrofit activities, and no community shall receive more than \$10,000,000.

Program and Financing (in millions of dollars)

Identification code 86-0401-0-1-272	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Energy Efficient Mortgage Innovation Pilot			25
00.02 Multifamily energy Pilot			25
00.03 Local Initiatives Fund			25
10.00 Total new obligations (object class 41.0)			75
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			100
23.95 Total new obligations			-75
24.40 Unobligated balance carried forward, end of year			25
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			100
Change in obligated balances:			
73.10 Total new obligations			75
73.20 Total outlays (gross)			-75
74.40 Obligated balance, end of year			
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			75
Net budget authority and outlays:			
89.00 Budget authority			100
90.00 Outlays			75

The objective of the Energy Innovation Fund is to provide support for promising local initiatives that can be replicated across the nation and to stimulate and enhance private investment in cost-saving energy efficiency retrofits of existing housing, through improved use of FHA single family and multifamily mortgage products.

First, the Local Initiatives Fund will address the broader housing market, both single and multi-family, by leveraging private sector (utility and other third party) financing to stimulate the development of model residential energy efficiency retrofit initiatives in specific markets. The fund will support promising models that are being initiated at the local level, and help expand them to additional markets. These local models can be tailored to local needs, climate conditions and building types, and can leverage utility, private foundation or bank financing in ways that are difficult to do at a national level. Funding will provide a mix of incentive grants, demand side subsidies, and supply side leveraging to support the expansion or start-up of local energy retrofit funds. The Local Initiatives Fund will support local market development initiatives that include: energy efficient or green retrofit investment funds; incentives to catalyze investment by private sector institutions (local utilities, and banks) in selected markets; leveraging other public sources of funds; and streamlined delivery of energy audits and related technical services. The Fund could also support a variety of innovative financing programs that are being tested locally, such as utility bill financing or financing through local property tax bills.

In the single-family housing sector, FHAs Energy Efficient Mortgage (EEM) in its current form has had little traction in the marketplace, with no more than 1,000 such mortgages insured each year. The Energy Innovation Fund will be used to develop an EEM Innovation pilot program which will extend the benefits of the existing FHA EEM and Title I Energy Efficient Property Improvement loan programs to more homeowners. In developing the EEM Innovation HUD will consider several options for financial incentives. HUD also may use a portion of the Energy Innovation Fund to finance the cost of energy audits, to the extent that this expense may be a barrier to some borrowers securing an EEM. HUD will also explore a federal partnership with national home energy rating organizations to streamline energy audit procedures, and with an emerging home performance remodeling industry to ensure quality installation of recommended energy conservation measures.

Finally, HUD will develop a Multifamily Energy Pilot (MEP), which may include financial incentives for borrowers in the following FHA Multifamily programs: Mortgage Insurance for Supplemental Loans for Multifamily Projects, Section 241(a); Mortgage Insurance for Purchase or Refinancing of Existing Multifamily Rental Housing, Section 223(f); and Mortgage Insurance for Rental and Cooperative Housing, Sections 221(d)(3) and 221(d)(4). The MEP program will target property owners and developers seeking energy efficiency improvements in multifamily rehabilitation projects.

OTHER ASSISTED HOUSING PROGRAMS

RENTAL HOUSING ASSISTANCE

For amendments to contracts under section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s) and section 236(f)(2) of the National Housing Act (12 U.S.C. 1715z—1) in State-aided, non-insured rental housing projects, **[\$27,600,000] \$40,000,000**, to remain available until expended. (Department of Housing and Urban Development Appropriations Act, 2009.)

RENT SUPPLEMENT

[(RESCISSION)] (CANCELLATION)

Of the amounts recaptured from terminated contracts under section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s) and section 236 of the National Housing Act (12 U.S.C. 1715z—1) **[\$37,600,000] \$27,600,000** are **[rescinded]** hereby permanently cancelled: Provided, That no amounts may be cancelled from amounts that were designated by the Congress as an emergency requirement pursuant to the Concurrent Resolution on the Budget or the Balanced Budget and Emergency Deficit Control Act of 1985, as amended. (Department of Housing and Urban Development Appropriations Act, 2009.)

Program and Financing (in millions of dollars)

Identification code 86-0206-0-1-999	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Rent supplement	11	14	9
00.02 Homeownership and rental housing assistance (Sections 235 and 236)	35	22	31
10.00 Total new obligations	46	36	40
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	772	786	807
22.00 New budget authority (gross)	-49	-10	12
22.10 Resources available from recoveries of prior year obligations	144	75	66
22.75 Balance of contract authority withdrawn	-35	-8	-8
23.90 Total budgetary resources available for obligation	832	843	877
23.95 Total new obligations	-46	-36	-40
24.40 Unobligated balance carried forward, end of year	786	807	837

OTHER ASSISTED HOUSING PROGRAMS—Continued
Program and Financing —Continued

Identification code 86-0206-0-1-999	2008 actual	2009 est.	2010 est.
New budget authority (gross), detail:			
Discretionary:			
40.00	28	28	40
40.36	-79	-38	-28
43.00	-51	-10	12
58.00	2		
Mandatory:			
60.00	1,273	1,260	1,120
60.49	-1,273	-1,260	-1,120
62.50			
70.00	-49	-10	12
Change in obligated balances:			
72.40	4,999	4,315	3,687
73.10	46	36	40
73.20	-586	-589	-599
73.45	-144	-75	-66
74.40	4,315	3,687	3,062
Outlays (gross), detail:			
86.90	2	-10	12
86.93	584	599	587
87.00	586	589	599
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.40	-2		
88.40			
88.90	-2		
Net budget authority and outlays:			
89.00	-51	-10	12
90.00	584	589	599
Memorandum (non-add) entries:			
93.01	405		
93.03	4,999	4,099	2,831
93.04	4,099	2,831	1,703

The Other Assisted Housing Account contains the programs listed below:

Rent supplement. Rent supplement assistance payments will continue to be made on behalf of qualified low-income tenants in approximately 13,683 units as of March 2009 that have not converted to Section 8.

Section 235. The Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181) authorized a restructured Section 235 (Homeownership Assistance) program that provided homeowners a 10-year interest reduction subsidy on their mortgages.

Section 236. The Housing and Urban Development Act of 1968, as amended, authorizes the Section 236 Rental Housing Assistance Program, which subsidizes the monthly mortgage payment that an owner of a rental or cooperative project is required to make. This interest subsidy reduces rents for lower income tenants.

This account includes funding necessary to amend Rent Supplement and Rental Assistance Payment (RAP) contracts in state-aided multifamily housing projects to address cost increases beyond the maximum annual payment limitation previously established for the affected contracts. As some of these rental assistance contracts are terminated due to prepayments or other reasons, remaining balances are recovered. The account includes language to cancel the amounts recovered from projects where rental assistance has been terminated.

The table below provides a summary of outlays by program.

SUMMARY OF OUTLAYS

	(in millions of dollars)		
	2008 actual	2009 est.	2010 est.
Total	584	589	599
Rent supplement	51	51	51
Homeownership assistance (Section 235)	3	2	2
Rental housing assistance (Section 236)	524	530	540
College housing grants	6	6	6

Object Classification (in millions of dollars)

Identification code 86-0206-0-1-999	2008 actual	2009 est.	2010 est.
41.0 Direct obligations: Grants, subsidies, and contributions	44	36	40
99.0 Reimbursable obligations: reimbursable obligations	2		
99.9 Total new obligations	46	36	40

HOMEOWNERSHIP AND OPPORTUNITY FOR PEOPLE EVERYWHERE GRANTS (HOPE GRANTS)

Program and Financing (in millions of dollars)

Identification code 86-0196-0-1-604	2008 actual	2009 est.	2010 est.
Budgetary resources available for obligation:			
22.00	-1		
22.10	1		
23.90			
24.40			
New budget authority (gross), detail:			
Discretionary:			
40.36	-1		
Change in obligated balances:			
72.40	6	5	5
73.45	-1		
74.40	5	5	5
Net budget authority and outlays:			
89.00	-1		
90.00			

The Homeownership and Opportunity for People Everywhere Program, funded from fiscal year 1992-1995, provided affordable homeownership opportunities for low-income families. Units were converted to homeownership from public and Indian housing properties in HOPE I, from FHA-insured and Government-held multifamily properties in HOPE II, and from Government-owned or -held single family properties in HOPE III. HOPE Grants were used for property acquisition, rehabilitation, mortgage subsidies, security measures, and technical assistance. In addition, grants have been devoted to counseling and training of residents, and other activities intended to help them become economically self-sufficient homeowners. This schedule reflects the expenditure of prior year balances.

PAYMENT TO MANUFACTURED HOUSING FEES TRUST FUND

For necessary expenses as authorized by the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.), up to \$16,000,000, to remain available until expended, of which **[\$10,600,000]** \$7,000,000 is to be derived from the Manufactured Housing Fees Trust Fund: *Provided*, That not to exceed the total amount appropriated under this heading shall be available from the general fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund pursuant to

section 620 of such Act: *Provided further*, That the amount made available under this heading from the general fund shall be reduced as such collections are received during fiscal year [2009] 2010 so as to result in a final fiscal year [2009] 2010 appropriation from the general fund estimated at not more than [\$5,400,000] \$9,000,000 and fees pursuant to such section 620 shall be modified as necessary to ensure such a final fiscal year [2009] 2010 appropriation: *Provided further*, That for the dispute resolution and installation programs, the Secretary of Housing and Urban Development may assess and collect fees from any program participant: *Provided further*, That such collections shall be deposited into the Fund, and the Secretary, as provided herein, may use such collections, as well as fees collected under section 620, for necessary expenses of such Act: *Provided further*, That notwithstanding the requirements of section 620 of such Act, the Secretary may carry out responsibilities of the Secretary under such Act through the use of approved service providers that are paid directly by the recipients of their services. (*Department of Housing and Urban Development Appropriations Act, 2009.*)

Program and Financing (in millions of dollars)

Identification code 86-0234-0-1-376	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Payment to Trust Fund		5	9
10.00 Total new obligations (object class 94.0)		5	9
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	26		
22.00 New budget authority (gross)		5	9
23.90 Total budgetary resources available for obligation	26	5	9
23.95 Total new obligations		-5	-9
23.98 Unobligated balance expiring or withdrawn	-26		
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation		5	9
Change in obligated balances:			
73.10 Total new obligations		5	9
73.20 Total outlays (gross)		-5	-9
74.40 Obligated balance, end of year			
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority		5	9
Net budget authority and outlays:			
89.00 Budget authority		5	9
90.00 Outlays		5	9

INTERSTATE LAND SALES

Special and Trust Fund Receipts (in millions of dollars)

Identification code 86-5270-0-2-376	2008 actual	2009 est.	2010 est.
01.00 Balance, start of year			
01.99 Balance, start of year			
Receipts:			
02.00 Interstate Land Sales Fund	1	1	1
04.00 Total: Balances and collections	1	1	1
Appropriations:			
05.00 Interstate Land Sales	-1	-1	-1
07.99 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 86-5270-0-2-376	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Transfer to salaries and expenses	1	1	1

10.00 Total new obligations (object class 25.2)	1	1	1
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	1	1	1
23.95 Total new obligations	-1	-1	-1
New budget authority (gross), detail:			
Mandatory:			
60.20 Appropriation (special fund)	1	1	1
Change in obligated balances:			
73.10 Total new obligations	1	1	1
73.20 Total outlays (gross)	-1	-1	-1
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	1	1	1
Net budget authority and outlays:			
89.00 Budget authority	1	1	1
90.00 Outlays	1	1	1

The Interstate Land Sales Full Disclosure Act provides protection to the public with respect to purchase or leases of subdivision lots. Statements of record must be filed with the Secretary before subdivisions with 100 or more lots may be sold in interstate commerce, except when the subdivision is eligible for exemption.

The Secretary is authorized to charge a fee, to be paid by the developer when filing a statement of record. The fee receipts are permanently appropriated and have helped finance a portion of the direct administrative expenses incurred in program operations.

RENTAL HOUSING ASSISTANCE FUND

Program and Financing (in millions of dollars)

Identification code 86-4041-0-3-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
09.01 Transfer to HUD's Flexible Subsidy Fund	8	8	4
10.00 Total new obligations (object class 94.0)	8	8	4
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	8	4	
22.00 New budget authority (gross)	4	4	4
23.90 Total budgetary resources available for obligation	12	8	4
23.95 Total new obligations	-8	-8	-4
24.40 Unobligated balance carried forward, end of year	4		
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	4	4	4
Change in obligated balances:			
72.40 Obligated balance, start of year			4
73.10 Total new obligations	8	8	4
73.20 Total outlays (gross)	-8	-4	-4
74.40 Obligated balance, end of year		4	4
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		4	4
86.98 Outlays from mandatory balances	8		
87.00 Total outlays (gross)	8	4	4
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-4	-4	-4
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	4		

RENTAL HOUSING ASSISTANCE FUND—Continued

The Housing and Urban Development Act of 1968 authorized the Secretary to establish a revolving fund into which rental collections in excess of the established basic rents for units in Section 236 subsidized projects would be deposited.

The Housing and Community Development Amendment of 1978 authorized the Secretary, subject to approval in appropriation acts, to transfer excess rent collections received after 1978 to the Troubled Projects Operating Subsidy program, renamed the Flexible Subsidy Fund. Prior to that time, collections were used for paying tax and utility increases in Section 236 projects. The Housing and Community Development Act of 1980 amended the 1978 Act by authorizing the transfer of excess rent collections regardless of when collected. The Budget proposes that the resources from the Rental Housing Assistance Fund continue to be transferred to the Flexible Subsidy Fund, with the exception of amounts required to make refunds of excess income remittances as authorized by Public Law 106-569.

FLEXIBLE SUBSIDY FUND

Program and Financing (in millions of dollars)

Identification code 86-4044-0-3-604	2008 actual	2009 est.	2010 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	65	102	133
22.00 New budget authority (gross)	37	31	27
23.90 Total budgetary resources available for obligation	102	133	160
24.40 Unobligated balance carried forward, end of year	102	133	160
New budget authority (gross), detail:			
Discretionary:			
58.00 Spending authority from offsetting collections: Offsetting collections (cash)	37	31	27
Change in obligated balances:			
72.40 Obligated balance, start of year	1	1	1
74.40 Obligated balance, end of year	1	1	1
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-8	-8	-4
88.40 Non-Federal sources	-29	-23	-23
88.90 Total, offsetting collections (cash)	-37	-31	-27
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-37	-31	-27

Status of Direct Loans (in millions of dollars)

Identification code 86-4044-0-3-604	2008 actual	2009 est.	2010 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	649	626	606
1251 Repayments: Repayments and prepayments	-23	-20	-20
1290 Outstanding, end of year	626	606	586

The Flexible Subsidy Fund assisted financially troubled subsidized projects under certain FHA authorities. The subsidies were intended to prevent potential losses to the FHA fund resulting from project insolvency and to preserve these projects as a viable source of housing for low and moderate-income tenants. Priority was given to projects with Federal insurance-in-force and then to those with mortgages that had been assigned to the Department of Housing and Urban Development. Excess rental income in the Rental Housing Assistance Fund not refunded to project

owners will continue to be transferred to the Flexible Subsidy Fund.

Balance Sheet (in millions of dollars)

Identification code 86-4044-0-3-604	2007 actual	2008 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	66	103
1601 Direct loans, gross	649	626
1602 Interest receivable	100	103
1603 Allowance for estimated uncollectible loans and interest (-)	-558	-652
1699 Value of assets related to direct loans	191	77
1999 Total assets	257	180
LIABILITIES:		
2207 Non-Federal liabilities: Other	1	1
2999 Total liabilities	1	1
NET POSITION:		
3100 Appropriated capital	-376	-376
3300 Cumulative results of operations	632	555
3999 Total net position	256	179
4999 Total liabilities and net position	257	180

HOME OWNERSHIP PRESERVATION ENTITY FUND FINANCING ACCOUNT

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4353-0-3-371	2008 actual	2009 est.	2010 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders			
2121 Limitation available from carry-forward			300,000
2131 Guaranteed loan commitments exempt from limitation		300,000	
2142 Uncommitted loan guarantee limitation			
2143 Uncommitted limitation carried forward		-300,000	-300,000
2150 Total guaranteed loan commitments			
2199 Guaranteed amount of guaranteed loan commitments			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year			
2231 Disbursements of new guaranteed loans			
2251 Repayments and prepayments			
2290 Outstanding, end of year			
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year			

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loans insured in 1992 and thereafter. The amounts in this account are considered a means of financing and are not included in the budget totals.

HOME OWNERSHIP PRESERVATION ENTITY FUND FINANCING ACCOUNT

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 86-4353-4-3-371	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Loan guarantee default claim payments		1	40
00.02 Incentives		6	35
10.00 Total new obligations		7	75
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year			206
22.00 New financing authority (gross)		213	1,293
23.90 Total budgetary resources available for obligation		213	1,499
23.95 Total new obligations		-7	-75

24.40	Unobligated balance carried forward, end of year	206	1,424
New financing authority (gross), detail:			
Mandatory:			
69.00	Offsetting collections (cash)	213	1,293
Change in obligated balances:			
73.10	Total new obligations	7	75
73.20	Total financing disbursements (gross)	-7	-75
Outlays (gross), detail:			
87.00	Total financing disbursements (gross)	7	75
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00	Payment of credit subsidy from program account	-209	-1,250
88.20	Interest on Federal securities	-2	-16
88.40	Premia	-2	-18
88.40	Recoveries		-9
88.90	Total, offsetting collections (cash)	-213	-1,293
Net financing authority and financing disbursements:			
89.00	Financing authority		
90.00	Financing disbursements	-206	-1,218

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4353-4-3-371	2008 actual	2009 est.	2010 est.
Position with respect to appropriations act limitation on commitments:			
2111	Limitation on guaranteed loans made by private lenders		
2121	Limitation available from carry-forward		-900
2142	Uncommitted loan guarantee limitation		
2143	Uncommitted limitation carried forward	900	6,400
2150	Total guaranteed loan commitments	900	5,500
2199	Guaranteed amount of guaranteed loan commitments	900	5,500
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year		891
2231	Disbursements of new guaranteed loans	900	5,500
2251	Repayments and prepayments	-8	-57
2263	Adjustments: Terminations for default that result in claim payments	-1	-40
2290	Outstanding, end of year	891	6,294
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year	891	6,294

HOME OWNERSHIP PRESERVATION EQUITY FUND PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-0343-0-1-371	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.04	Expenditure Transfers to HUD Working Capital Fund	20	40
10.00	Total new obligations (object class 25.3)	20	40
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	10	
22.00	New budget authority (gross)	30	30
23.90	Total budgetary resources available for obligation	30	40
23.95	Total new obligations	-20	-40
24.40	Unobligated balance carried forward, end of year	10	
New budget authority (gross), detail:			
Mandatory:			
60.00	Appropriation	30	30
Change in obligated balances:			
73.10	Total new obligations	20	40
73.20	Total outlays (gross)	-20	-40

74.40	Obligated balance, end of year		
Outlays (gross), detail:			
86.97	Outlays from new mandatory authority	20	30
86.98	Outlays from mandatory balances		10
87.00	Total outlays (gross)	20	40
Net budget authority and outlays:			
89.00	Budget authority	30	30
90.00	Outlays	20	40

Summary of Budget Authority and Outlays (in millions of dollars)

	2008 actual	2009 est.	2010 est.
Enacted/requested:			
Budget Authority	30	30	30
Outlays	20	40	30
Legislative proposal, subject to PAYGO:			
Budget Authority		209	1,250
Outlays		209	1,250
Total:			
Budget Authority	30	239	1,280
Outlays	20	249	1,280

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86-0343-0-1-371	2008 actual	2009 est.	2010 est.
Administrative expense data:			
3510	Budget authority	30	40
3590	Outlays from new authority	20	40

The HOPE for Homeowners (H4H) program was created by Congress to help those at risk of default and foreclosure refinance into more affordable, sustainable loans. H4H is an additional mortgage option designed to keep borrowers in their homes. The principal obligation of all mortgages insured under the H4H program may not exceed \$300 billion. The H4H Program was established by the Housing and Economic Recovery Act of 2008 (Act), and signed into law on July 30, 2008. Under the H4H Program, eligible homeowners may refinance their current mortgage loans into a new mortgage insured by FHA. The program requires borrowers to share with HUD a portion of the equity created upon the issuance of the new FHA-insured loan as well as a portion of any future appreciation on the subject property.

As stated in the Act, the key objectives of the program are:

- 1) To create an FHA program, participation in which is voluntary on the part of the homeowners and existing loan holders to insure refinanced loans for distressed borrowers to support long-term, sustainable homeownership;
- 2) To allow homeowners to avoid foreclosure by reducing the principle balance outstanding, and interest rate charged, on their mortgages;
- 3) To help stabilize and provide confidence in mortgage markets by bringing transparency to the value of assets based on mortgage assets;
- 4) To devote mortgage assistance under this program to homeowners for their principal residence;
- 5) To enhance the administrative capacity of the FHA to carry out its expanded role under the program;
- 6) To ensure the program remains in effect only for as long as is necessary to provide stability to the housing market; and
- 7) To provide servicers of delinquent mortgages with additional methods and approaches to avoid foreclosure.

The Administration supports modifications to the H4H program to make it more attractive while retaining important safeguards against excessive risk. These amendments include more underwriting flexibility and lower premia and appreciation sharing assessments. As a result of this proposal, H4H will experience a higher level of program volume. These budgetary effects are

HOME OWNERSHIP PRESERVATION EQUITY FUND PROGRAM ACCOUNT—Continued

shown under the schedules for a Legislative proposal for this account and the H4H Financing account.

The program is effective from October 1, 2008 to September 30, 2011.

As required by the Federal Credit Reform Act of 1990, this account records the administrative expenses for this program, as well as the subsidy costs, if any, associated with the loan guarantees committed. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis. Under the Act, the Department of the Treasury is authorized to issue HOPE Bonds, up to the aggregate insurance amount, to finance the subsidy amounts necessary for loan guarantees, as well as for the net costs to the Federal Government of the program, including administrative costs.

HOME OWNERSHIP PRESERVATION EQUITY FUND PROGRAM ACCOUNT

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 86-0343-4-1-371	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.02 Positive Credit Subsidy		209	1,250
10.00 Total new obligations (object class 41.0)		209	1,250
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		209	1,250
23.95 Total new obligations		-209	-1,250
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation		209	1,250
Change in obligated balances:			
73.10 Total new obligations		209	1,250
73.20 Total outlays (gross)		-209	-1,250
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		209	1,250
Net budget authority and outlays:			
89.00 Budget authority		209	1,250
90.00 Outlays		209	1,250

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86-0343-4-1-371	2008 actual	2009 est.	2010 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 HOPE for Homeowners Loan Guarantees		900	5,500
215999 Total loan guarantee levels		900	5,500
Guaranteed loan subsidy (in percent):			
232001 HOPE for Homeowners Loan Guarantees		23.27	22.72
232999 Weighted average subsidy rate		23.27	22.72
Guaranteed loan subsidy budget authority:			
233001 HOPE for Homeowners Loan Guarantees		209	1,250
233999 Total subsidy budget authority		209	1,250
Guaranteed loan subsidy outlays:			
234001 HOPE for Homeowners Loan Guarantees		209	1,250
234999 Total subsidy outlays		209	1,250

NEHEMIAH HOUSING OPPORTUNITY FUND

Program and Financing (in millions of dollars)

Identification code 86-4071-0-3-604	2008 actual	2009 est.	2010 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	8	9	9
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	9	9	9
24.40 Unobligated balance carried forward, end of year	9	9	9
Change in obligated balances:			
72.40 Obligated balance, start of year	5	4	4
73.45 Recoveries of prior year obligations	-1		
74.40 Obligated balance, end of year	4	4	4
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

The Nehemiah grants program was authorized by the Housing and Community Development Act of 1987 to provide loans to eligible families to assist in the purchase of new or substantially rehabilitated units. This schedule reflects the liquidation of remaining reserved and obligated balances.

FEDERAL HOUSING ADMINISTRATION

MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

During fiscal year [2009] 2010, commitments to guarantee single family loans insured under the Mutual Mortgage Insurance Fund shall not exceed a loan principal of [\$315,000,000,000. During] \$400,000,000,000: Provided, That for the cost of new guaranteed loans, as authorized by section 255 of the National Housing Act (12 U.S.C. 1715z-20), \$798,000,000; and, in addition, to the extent that new guaranteed loan commitments under section 255 will and do exceed \$30,000,000, an additional \$26,600 shall be available for each \$1,000,000 in such additional commitments (including a pro rata amount for any new guaranteed loan commitment amount below \$1,000,000): Provided further, That during fiscal year [2009] 2010, obligations to make direct loans to carry out the purposes of section 204(g) of the National Housing Act, as amended, shall not exceed \$50,000,000: Provided further, That the foregoing amount shall be for loans to nonprofit and governmental entities in connection with sales of single family real properties owned by the Secretary and formerly insured under the Mutual Mortgage Insurance Fund. For administrative contract expenses [\$116,000,000] of the Federal Housing Administration, \$188,900,000, of which [at least \$46,794,000 shall, and] up to [\$58,492,500] \$70,794,000 may [,] be transferred to the Working Capital Fund, and of which up to \$7,500,000 shall be for education and outreach of FHA single family loan products: Provided further, That to the extent guaranteed loan commitments exceed [\$65,500,000,000] \$200,000,000,000 on or before April 1, [2009] 2010, an additional \$1,400 for administrative contract expenses shall be available for each \$1,000,000 in additional guaranteed loan commitments (including a pro rata amount for any amount below \$1,000,000), but in no case shall funds made available by this proviso exceed \$30,000,000. (Department of Housing and Urban Development Appropriations Act, 2009.)

Program and Financing (in millions of dollars)

Identification code 86-0183-0-1-371	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.02 Guaranteed Loan Subsidy			798
00.07 Reestimates of loan guarantee subsidy - upward re-estimate	3,925	9,369	
00.08 Interest on reestimates of loan guarantee subsidy	630	1,014	
00.09 Direct program activity	48	88	118

10.00	Total new obligations	4,603	10,471	916
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	51	88	916
22.22	Unobligated balance transferred from other accounts	4,555	10,383	.....
23.90	Total budgetary resources available for obligation	4,606	10,471	916
23.95	Total new obligations	-4,603	-10,471	-916
23.98	Unobligated balance expiring or withdrawn	-3	.....	.....
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	77	146	189
40.00	Appropriation .....	.....	.....	798
41.00	Transferred to other accounts	-26	-58	-71
43.00	Appropriation (total discretionary)	51	88	916
Change in obligated balances:				
72.40	Obligated balance, start of year	71	66	15
73.10	Total new obligations	4,603	10,471	916
73.20	Total outlays (gross)	-4,595	-10,522	-912
73.40	Adjustments in expired accounts (net)	-13	.....	.....
74.40	Obligated balance, end of year	66	15	19
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	8	73	897
86.93	Outlays from discretionary balances	32	66	15
86.98	Outlays from mandatory balances	4,555	10,383	.....
87.00	Total outlays (gross)	4,595	10,522	912
Net budget authority and outlays:				
89.00	Budget authority	51	88	916
90.00	Outlays	4,595	10,522	912

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86-0183-0-1-371	2008 actual	2009 est.	2010 est.	
Direct loan levels supportable by subsidy budget authority:				
115001	MMI Fund, Direct loans	50	50	
115999	Total direct loan levels	50	50	
Guaranteed loan levels supportable by subsidy budget authority:				
215002	MMI Fund	171,875	285,000	300,000
215004	MMI HECM	30,000	30,000	.....
215999	Total loan guarantee levels	171,875	315,000	330,000
Guaranteed loan subsidy (in percent):				
232002	MMI Fund	-0.25	-0.04	-0.57
232004	MMI HECM	0.00	-1.37	2.66
232007	MMI Seller Financed Down Payment Assistance	0.00	6.35	0.00
232999	Weighted average subsidy rate	-0.25	-0.17	-0.28
Guaranteed loan subsidy budget authority:				
233002	MMI Fund	-435	-114	-1,710
233004	MMI HECM	-411	798	.....
233999	Total subsidy budget authority	-435	-525	-912
Guaranteed loan subsidy outlays:				
234002	MMI Fund	-435	-114	-1,710
234004	MMI HECM	-411	798	.....
234999	Total subsidy outlays	-435	-525	-912
Guaranteed loan upward reestimates:				
235002	MMI Fund	4,555	10,383	.....
235999	Total upward reestimate budget authority	4,555	10,383	.....
Guaranteed loan downward reestimates:				
237002	MMI Fund	-5	-108	.....
237999	Total downward reestimate subsidy budget authority	-5	-108	.....
Administrative expense data:				
3510	Budget authority	51	88	118
3580	Outlays from balances	32	66	15
3590	Outlays from new authority	8	73	98

The Federal Housing Administration (FHA) provides mortgage insurance to encourage lenders to make credit available to borrowers for which the conventional market does not adequately serve. These include first-time homebuyers, minorities, lower-

income families, and residents of underserved areas (central cities and rural areas).

In 2010, FHA is requesting an aggregate limitation of \$400 billion on loan guarantees for the Mutual Mortgage Insurance (MMI) fund. For the first time, the MMI Fund requires credit subsidy appropriations to operate.

The decline in house prices has adversely affected the projected credit performance of Home Equity Conversion Mortgages. As a result, the program has a positive subsidy rate. The Budget provides both fixed and variable appropriations of credit subsidy to support continuous operation of the program even if actual loan activity exceeds projections. The Budget projects insurance of \$300 billion in single-family forward mortgages and \$30 billion in Home Equity Conversion Mortgages with an additional \$70 billion in commitment limitation available in case these amounts are exceeded during execution.

The 2009 Budget established a separate risk category for seller-financed downpayment assistance mortgages. Actuarial analysis found that these loans are very costly, with default rates well in excess of other FHA single-family purchase mortgages. These loans were terminated in the Housing and Economic Recovery Act of 2008. As a result, the Budget does not include the risk category in 2010 and beyond. If this program were re-authorized, however, the risk category would be re-instated, as would be the case for any new MMI program that poses credit risks materially different from current programs.

As of 2009, new loans for the Condominium, the Section 203(k) rehabilitation, and Home Equity Conversion programs are in the MMI fund in order to consolidate single-family programs in one fund; previously these loans were made under the General and Special Risk Insurance funds. Those single-family loans made prior to 2009 will remain under the General and Special Risk Insurance funds.

As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs, if any, associated with the loan guarantees committed in 1992 and thereafter. The subsidy amounts are estimated on a present value basis.

Object Classification (in millions of dollars)

Identification code 86-0183-0-1-371	2008 actual	2009 est.	2010 est.	
Direct obligations:				
25.2	Other services	48	88	118
41.0	Grants, subsidies, and contributions	3,925	9,369	798
43.0	Interest and dividends	630	1,014	.....
99.9	Total new obligations	4,603	10,471	916

FHA-MUTUAL MORTGAGE INSURANCE DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4242-0-3-371	2008 actual	2009 est.	2010 est.	
Obligations by program activity:				
00.01	Direct loans	50	50	
00.02	Interest paid to Treasury	2	2	
00.03	Claims & other	4	4	
10.00	Total new obligations	56	56	
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	5	5	5
22.00	New financing authority (gross)	105	105	105
22.60	Portion applied to repay debt	-49	-49	-49
23.90	Total budgetary resources available for obligation	5	61	61
23.95	Total new obligations	-56	-56	-56

**FHA-MUTUAL MORTGAGE INSURANCE DIRECT LOAN FINANCING
ACCOUNT—Continued
Program and Financing —Continued**

Identification code 86-4242-0-3-371	2008 actual	2009 est.	2010 est.	
24.40	Unobligated balance carried forward, end of year	5	5	5
New financing authority (gross), detail:				
Mandatory:				
67.10	Authority to borrow	50	50	
69.00	Offsetting collections (cash)	1	55	55
69.47	Portion applied to repay debt	-1		
69.90	Spending authority from offsetting collections (total mandatory)		55	55
70.00	Total new financing authority (gross)		105	105
Change in obligated balances:				
73.10	Total new obligations		56	56
73.20	Total financing disbursements (gross)		-56	-56
74.40	Obligated balance, end of year			
Outlays (gross), detail:				
87.00	Total financing disbursements (gross)		56	56
Offsets:				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.25	Interest on uninvested funds	-1	-1	-1
88.40	Non-Federal sources	-1	-50	-50
88.40	Repayment of interest		-4	-4
88.90	Total, offsetting collections (cash)	-1	-55	-55
Net financing authority and financing disbursements:				
89.00	Financing authority	-1	50	50
90.00	Financing disbursements	-1	1	1

Status of Direct Loans (in millions of dollars)

Identification code 86-4242-0-3-371	2008 actual	2009 est.	2010 est.	
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans	50	50	50
1142	Unobligated direct loan limitation (-)	-50		
1150	Total direct loan obligations		50	50
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	1		
1231	Disbursements: Direct loan disbursements		50	50
1251	Repayments: Repayments and prepayments	-1	-50	-50
1264	Write-offs for default: Other adjustments, net (+ or -)			
1290	Outstanding, end of year			

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and thereafter (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

The \$50 million in 2010 direct loan limitation in the MMI Fund would permit the Department to use Purchase Money Mortgages (PMMs) to help finance the sale of acquired single family properties. HUD would extend credit for these single-family homes to community nonprofit organizations or local government entities, which would be expected to sell the properties to low- and moderate-income buyers. The use of PMMs provides a tool for State and local nonprofit organizations to use in revitalizing communities, and creates enhanced homeownership opportunities for low- and moderate-income families.

Balance Sheet (in millions of dollars)

Identification code 86-4242-0-3-371	2007 actual	2008 actual	
ASSETS:			
1101	Federal assets: Fund balances with Treasury	5	6
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	1	
1405	Allowance for subsidy cost (-)	-3	-3
1499	Net present value of assets related to direct loans	-2	-3
1999	Total assets	3	3
LIABILITIES:			
2103	Federal liabilities: Federal Liabilities - Debt	3	3
2999	Total liabilities	3	3
4999	Total liabilities and net position	3	3

**FHA-MUTUAL MORTGAGE INSURANCE GUARANTEED LOAN FINANCING ACCOUNT
Program and Financing (in millions of dollars)**

Identification code 86-4587-0-3-371	2008 actual	2009 est.	2010 est.	
Obligations by program activity:				
00.01	Loan guarantee default claim payments	6,283	13,609	17,384
00.02	Interest on Treasury Borrowing	167	176	97
00.03	Other capital investment & operating expenses	649	894	1,041
00.91	Subtotal, capital/operating expenses	7,099	14,679	18,522
08.01	Payment of negative subsidy to capital reserve for new business	435	525	1,710
08.02	Reestimate of loan guarantee subsidy (downward reestimates)	5	108	
08.91	Direct Program by Activities - Subtotal (1 level)	440	633	1,710
10.00	Total new obligations	7,539	15,312	20,232
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	2,988	7,645	19,274
22.00	New financing authority (gross)	12,183	27,941	22,002
22.10	Resources available from recoveries of prior year obligations	13		
22.60	Portion applied to repay debt		-1,000	-1,000
23.90	Total budgetary resources available for obligation	15,184	34,586	40,276
23.95	Total new obligations	-7,539	-15,312	-20,232
24.40	Unobligated balance carried forward, end of year	7,645	19,274	20,044
New financing authority (gross), detail:				
Mandatory:				
67.10	Authority to borrow	235	1,000	1,000
69.00	Offsetting collections	12,183	26,941	21,002
69.00	Offsetting collections (cash)			
69.47	Portion applied to repay debt	-235		
69.90	Spending authority from offsetting collections (total mandatory)	11,948	26,941	21,002
70.00	Total new financing authority (gross)	12,183	27,941	22,002
Change in obligated balances:				
72.40	Obligated balance, start of year	1,150	1,315	1,668
73.10	Total new obligations	7,539	15,312	20,232
73.20	Total financing disbursements (gross)	-7,361	-14,959	-19,754
73.45	Recoveries of prior year obligations	-13		
74.40	Obligated balance, end of year	1,315	1,668	2,146
Outlays (gross), detail:				
87.00	Total financing disbursements (gross)	7,361	14,959	19,754
Offsets:				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Transfer of Reestimates from reserves in Capital Reserve account	-4,555	-10,383	
88.00	Credit Subsidy from Program Account			-798
88.25	Interest on uninvested funds	-424	-640	-509
88.40	Fees and premiums	-4,255	-7,148	-9,349
88.40	Recoveries on defaults	-2,949	-8,770	-10,346

88.90	Total, offsetting collections (cash)	-12,183	-26,941	-21,002
Net financing authority and financing disbursements:				
89.00	Financing authority		1,000	1,000
90.00	Financing disbursements	-4,822	-11,982	-1,248

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4587-0-3-371	2008 actual	2009 est.	2010 est.	
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders	185,000	315,000	400,000
2142	Uncommitted loan guarantee limitation	-13,125		-70,000
2150	Total guaranteed loan commitments	171,875	315,000	330,000
2199	Guaranteed amount of guaranteed loan commitments	171,875	315,000	330,000
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	312,277	439,515	627,131
2231	Disbursements of new guaranteed loans	171,875	296,610	315,306
2251	Repayments and prepayments	-37,957	-95,385	-81,909
Adjustments:				
2261	Terminations for default that result in loans receivable	-143	-530	-756
2262	Terminations for default that result in acquisition of property	-6,218	-12,927	-16,411
2263	Terminations for default that result in claim payments	-319	-152	-217
2264	Other adjustments, net			
2290	Outstanding, end of year	439,515	627,131	843,144
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	439,192	627,131	843,144
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	331	403	501
2331	Disbursements for guaranteed loan claims	143	98	98
2351	Repayments of loans receivable			
2364	Other adjustments, net	-71		
2390	Outstanding, end of year	403	501	599

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loans insured in 1992 and thereafter. The amounts in this account are considered a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 86-4587-0-3-371	2007 actual	2008 actual	
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	4,138	8,960
Investments in US securities:			
1106	Receivables, net	4,553	9,579
Non-Federal assets:			
1201	Investments in non-Federal securities, net	38	16
1206	Receivables, net	116	80
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:			
1501	Defaulted guaranteed loans receivable, gross	331	403
1502	Interest receivable	-1	
1504	Foreclosed property	2,710	4,054
1505	Allowance for subsidy cost	-1,661	-2,219
1599	Net value of assets related to defaulted guaranteed loan	1,379	2,238
1901	Other Federal assets: Other assets	28	26
1999	Total assets	10,252	20,899
LIABILITIES:			
Federal liabilities:			
2101	Accounts payable	5	80
2103	Federal liabilities, Debt	3,125	3,125
Non-Federal liabilities:			
2201	Accounts payable	161	252
2204	Liabilities for loan guarantees	6,902	17,379
2207	Other	59	63
2999	Total liabilities	10,252	20,899

4999	Total liabilities and net position	10,252	20,899
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FHA-MUTUAL MORTGAGE INSURANCE CAPITAL RESERVE ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-0236-0-1-371	2008 actual	2009 est.	2010 est.	
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	22,395	19,085	10,070
22.00	New budget authority (gross)	1,260	1,368	2,301
22.21	Unobligated balance transferred to other accounts	-4,570	-10,383	
23.90	Total budgetary resources available for obligation	19,085	10,070	12,371
24.40	Unobligated balance carried forward, end of year	19,085	10,070	12,371
New budget authority (gross), detail:				
Mandatory:				
69.00	Offsetting collections (negative subsidy)	440	525	1,710
69.00	Offsetting collections (interest on investments)	849	735	591
69.00	Offsetting collections (downward reestimate)		108	
69.10	Change in uncollected customer payments from Federal sources (unexpired)	-29		
69.90	Spending authority from offsetting collections (total mandatory)	1,260	1,368	2,301
Change in obligated balances:				
72.40	Obligated balance, start of year	-262	-233	-233
74.00	Change in uncollected customer payments from Federal sources (unexpired)	29		
74.40	Obligated balance, end of year	-233	-233	-233
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Federal sources - negative subsidy from new business	-440	-525	-1,710
88.00	Federal sources - downward reestimates		-108	
88.00	Federal sources - loan modification			
88.20	Interest on Federal securities	-849	-735	-591
88.90	Total, offsetting collections (cash)	-1,289	-1,368	-2,301
Against gross budget authority only:				
88.95	Change in uncollected customer payments from Federal sources (unexpired)	29		
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	-1,289	-1,368	-2,301
Memorandum (non-add) entries:				
92.01	Total investments, start of year: Federal securities: Par value	22,405	19,085	9,333
92.02	Total investments, end of year: Federal securities: Net	19,085	9,333	11,043

In 2002, a Capital Reserve account was established for the Mutual Mortgage Insurance Fund. Financial reserves, including securities, of the MMI Fund were transferred from the liquidating account to the Capital Reserve account. In 2003, this mandatory account started earning interest on Treasury investments, collecting negative subsidy and downward reestimates from the Financing account, and paying upward reestimates to the Program account. The Liquidating account now only reflects cash-flows related to pre-1992 books of business.

Balance Sheet (in millions of dollars)

Identification code 86-0236-0-1-371	2007 actual	2008 actual	
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	29	25
Investments in US securities:			
1102	Treasury securities, net	22,214	19,014
1106	Receivables, net	266	312
1999	Total assets	22,509	19,351
LIABILITIES:			

FHA-MUTUAL MORTGAGE INSURANCE CAPITAL RESERVE ACCOUNT—Continued
Balance Sheet —Continued

Identification code 86-0236-0-1-371	2007 actual	2008 actual
2101 Federal liabilities: Accounts payable	4,553	9,579
2999 Total liabilities	4,553	9,579
NET POSITION:		
3300 Cumulative results of operations	17,956	9,772
3999 Total net position	17,956	9,772
4999 Total liabilities and net position	22,509	19,351

FHA-MUTUAL MORTGAGE AND COOPERATIVE HOUSING INSURANCE FUNDS
LIQUIDATING ACCOUNT
Program and Financing (in millions of dollars)

Identification code 86-4070-0-3-371	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
01.03 Acquisition of real properties	37	16	10
01.07 Capitalized expenses	3	3	3
01.08 Loss mitigation activities	3	1	1
01.91 Total capital investment	43	20	14
02.02 Other Operation expenses	22	22	22
10.00 Total new obligations	65	42	36
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	64	50	29
22.00 New budget authority (gross)	13	21	18
22.10 Resources available from recoveries of prior year obligations	23	.....	.....
22.22 Unobligated balance transferred from other accounts	15	.....	.....
23.90 Total budgetary resources available for obligation	115	71	47
23.95 Total new obligations	-65	-42	-36
24.40 Unobligated balance carried forward, end of year	50	29	11
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	13	21	18
Change in obligated balances:			
72.40 Obligated balance, start of year	212	205	215
73.10 Total new obligations	65	42	36
73.20 Total outlays (gross)	-49	-32	-27
73.45 Recoveries of prior year obligations	-23	.....	.....
74.40 Obligated balance, end of year	205	215	224
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	1	21	18
86.98 Outlays from mandatory balances	48	11	9
87.00 Total outlays (gross)	49	32	27
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.40 Fees and premiums .....	.....	-10	-7
88.40 Recoveries on defaulted mortgages	-18	-11	-11
88.40 Other	5	.....	.....
88.90 Total, offsetting collections (cash)	-13	-21	-18
Net budget authority and outlays:			
89.00 Budget authority .....	.....	.....	.....
90.00 Outlays	36	11	9

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4070-0-3-371	2008 actual	2009 est.	2010 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	9,872	8,259	6,424
2251 Repayments and prepayments	-1,576	-1,819	-1,405

2262 Adjustments: Terminations for default that result in acquisition of property	-37	-16	-10
2290 Outstanding, end of year	8,259	6,424	5,009
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	8,259	6,424	5,009
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	10	17	17
2331 Disbursements for guaranteed loan claims	1	4	4
2361 Write-offs of loans receivable .....	.....	-4	-4
2364 Other adjustments, net	6	.....	.....
2390 Outstanding, end of year	17	17	17

The Federal Housing Administration Fund currently consists of four separate insurance funds.

In order to present more clearly the operations of the various funds, FHA's budget transactions are separated into two major business segments. The basic single-family insurance programs, including the Condominium, Section 203(k) rehabilitation, and Home Equity Conversion Mortgage programs, in the Mutual Mortgage Insurance (MMI) fund and the multifamily Cooperative Management Housing Insurance (CMHI) funds form one segment. All other multifamily and other specialized insurance programs in the General Insurance and Special Risk Insurance funds (GI/SRI) form the other segment.

The Federal Credit Reform Act of 1990 creates a structure of three accounts for existing credit program. For each of the FHA business segments (MMI/CMHI and GI/SRI) there is a liquidating account, which records the revenues and costs associated with loan insurance committed prior to October 1, 1991, a financing account which records the revenues and costs associated with commitments to insure loans made after September 30, 1991, and, a program account which records the transactions associated with the program subsidy costs, if any, and the costs of administering the program.

This liquidating account records, for this program, all cash flows to and from the Government resulting from MMI/CMHI loans insured prior to 1992 and is shown on a cash basis. All new activity in this program in 1992 and thereafter (including modifications of loans insured in any year) is recorded in the corresponding program (86-0183) and financing (86-4587 and 86-4242) accounts.

In 2002, the MMI Capital Reserve account was established to maintain reserves required by statute that were previously deposited in the liquidating account.

The program activity in the "Program Highlights" table shown below reflects only the activity in the MMI/CMHI liquidating and financing accounts. The GI/SRI program activity can be found with the GI/SRI liquidating account (86-4072) and financing account (86-4077).

Financial condition.—The following tables reflect the revenues, expenses and financial condition of the MMI/CMHI liquidating funds based on Generally Accepted Accounting Principles.

Balance Sheet (in millions of dollars)

Identification code 86-4070-0-3-371	2007 actual	2008 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	276	255
1206 Non-Federal assets: Receivables, net	3	3
1701 Defaulted guaranteed loans, gross	10	17
1702 Interest receivable	5	3
1703 Allowance for estimated uncollectible loans and interest (-)	-2	-3
1704 Defaulted guaranteed loans and interest receivable, net	13	17
1706 Foreclosed property	4	9

1799	Value of assets related to loan guarantees	17	26
1901	Other Federal assets: Other assets	-3	2
1999	Total assets	293	286
LIABILITIES:			
Non-Federal liabilities:			
2201	Accounts payable	185	179
2204	Liabilities for loan guarantees	89	20
2207	Unearned revenue and advances, and other	28	18
2999	Total liabilities	302	217
NET POSITION:			
3300	Cumulative results of operations	-9	69
3999	Total net position	-9	69
4999	Total liabilities and net position	293	286

Object Classification (in millions of dollars)

Identification code 86-4070-0-3-371	2008 actual	2009 est.	2010 est.
Direct obligations:			
25.2	Other services	25	25
32.0	Land and structures	37	16
42.0	Insurance claims and indemnities	3	1
99.9	Total new obligations	65	42

GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

For the cost of guaranteed loans, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z-3 and 1735c), including the cost of loan guarantee modifications, as that term is defined in section 502 of the Congressional Budget Act of 1974, as amended, \$8,600,000, to remain available until expended: *Provided*, That commitments to guarantee loans shall not exceed **[\$45,000,000,000]** *\$15,000,000,000* in total loan principal, any part of which is to be guaranteed.

Gross obligations for the principal amount of direct loans, as authorized by sections 204(g), 207(l), 238, and 519(a) of the National Housing Act, shall not exceed **[\$50,000,000]**, of which not to exceed \$30,000,000 shall be for bridge financing in connection with the sale of multifamily real properties owned by the Secretary and formerly insured under such Act; and of **[\$20,000,000]**, which **[not to exceed \$20,000,000]** shall be for loans to nonprofit and governmental entities in connection with the sale of single-family real properties owned by the Secretary and formerly insured under such Act. For administrative contract expenses necessary to carry out the guaranteed and direct loan programs, \$48,871,000, of which at least \$47,871,000 shall be for administrative contracts and up to \$1,000,000 shall be for consumer education and outreach for FHA loan products. (*Department of Housing and Urban Development Appropriations Act, 2009.*)

Program and Financing (in millions of dollars)

Identification code 86-0200-0-1-371	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.02	Guaranteed loan subsidy	3	5
00.07	Reestimate of credit subsidy	272	6,097
00.08	Interest on reestimates of loan guarantee subsidy	29	696
00.10	Administrative contract expenses	63	49
10.00	Total new obligations	383	6,845
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	24	17
22.00	New budget authority (gross)	391	6,845
23.90	Total budgetary resources available for obligation	415	6,862
23.95	Total new obligations	-383	-6,845
23.98	Unobligated balance expiring or withdrawn	-15	
24.40	Unobligated balance carried forward, end of year	17	17
New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation	106	57
40.35	Appropriation permanently reduced		-5

41.00	Transferred to other accounts	-16	
43.00	Appropriation (total discretionary)	90	52
Mandatory:			
60.00	Appropriation	301	6,793
70.00	Total new budget authority (gross)	391	6,845
Change in obligated balances:			
72.40	Obligated balance, start of year	100	98
73.10	Total new obligations	383	6,845
73.20	Total outlays (gross)	-376	-6,851
73.40	Adjustments in expired accounts (net)	-9	
74.40	Obligated balance, end of year	98	92

Outlays (gross), detail:

86.90	Outlays from new discretionary authority	28	42
86.93	Outlays from discretionary balances	47	16
86.97	Outlays from new mandatory authority	301	6,793
87.00	Total outlays (gross)	376	6,851

Net budget authority and outlays:

89.00	Budget authority	391	6,845
90.00	Outlays	376	6,851

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86-0200-0-1-371	2008 actual	2009 est.	2010 est.
Direct loan levels supportable by subsidy budget authority:			
115001	GI/SRI Direct Loans	1	1
115999	Total direct loan levels	1	1
Guaranteed loan levels supportable by subsidy budget authority:			
215001	Multifamily Development	921	1,450
215002	221(d)(3) Cooperatives	5	10
215003	Tax Credit New Construction	220	450
215004	238(c) Military Impact Area		75
215005	Apartments Refinance	1,122	1,350
215006	241 Supplemental Loans		8
215007	Multifamily Operating Loss Loans	4	12
215008	Housing Finance Authority Risk Sharing	14	180
215009	GSE Risk Sharing	8	5
215010	Health Care and Nursing Homes	261	275
215011	Health Care Refinances	919	1,600
215012	Hospitals	788	1,400
215013	Other Rental	40	40
215014	Section 234: Condominiums	8,413	
215015	Section 203(k): Rehabilitation Mortgages	947	
215016	Home Equity Conversion Mortgages	24,311	
215017	Title 1 Property Improvement	41	54
215018	Title 1 Manufactured Housing	58	71
215022	Standby Authority		38,020
215999	Total loan guarantee levels	38,072	45,000
Guaranteed loan subsidy (in percent):			
232001	Multifamily Development	-0.83	-1.10
232002	221(d)(3) Cooperatives	5.67	5.84
232003	Tax Credit New Construction	-3.20	-3.20
232004	238(c) Military Impact Area	0.00	-0.04
232005	Apartments Refinance	-2.75	-3.29
232006	241 Supplemental Loans	2.99	1.97
232007	Multifamily Operating Loss Loans	15.43	22.18
232008	Housing Finance Authority Risk Sharing	-1.25	-1.17
232009	GSE Risk Sharing	-1.42	-1.43
232010	Health Care and Nursing Homes	-0.68	-0.74
232011	Health Care Refinances	-1.58	-2.09
232012	Hospitals	-2.66	-2.51
232013	Other Rental	-1.82	-2.14
232014	Section 234: Condominiums	-0.88	0.00
232015	Section 203(k): Rehabilitation Mortgages	1.89	0.00
232016	Home Equity Conversion Mortgages	-1.90	0.00
232017	Title 1 Property Improvement	0.52	-0.52
232018	Title 1 Manufactured Housing	0.13	-0.14
232999	Weighted average subsidy rate	-1.58	-0.32
Guaranteed loan subsidy budget authority:			
233001	Multifamily Development	-8	-16
233002	221(d)(3) Cooperatives		1
233003	Tax Credit New Construction	-8	-14
233004	238(c) Military Impact Area		1
233005	Apartments Refinance	-31	-45
233007	Multifamily Operating Loss Loans		3
233008	Housing Finance Authority Risk Sharing	-1	-3
233009	GSE Risk Sharing	-1	

FHA-GENERAL AND SPECIAL RISK PROGRAM ACCOUNT—Continued
Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program —Continued

Identification code 86-0200-0-1-371	2008 actual	2009 est.	2010 est.
233010 Health Care and Nursing Homes	-2	-2	-2
233011 Health Care Refinances	-15	-33	-34
233012 Hospitals	-20	-35	-38
233013 Other Rental	-1	-1	-2
233014 Section 234: Condominiums	-74	.....	.....
233015 Section 203(k): Rehabilitation Mortgages	18	.....	.....
233016 Home Equity Conversion Mortgages	-460	.....	.....
233018 Title I Manufactured Housing .....	.....	.....	-1
233999 Total subsidy budget authority	-603	-145	-184
Guaranteed loan subsidy outlays:			
234001 Multifamily Development	-7	-14	-27
234002 221(d)(3) Cooperatives .....	.....	1	1
234003 Tax Credit New Construction	-12	-13	-17
234005 Apartments Refinance	-29	-50	-50
234007 Multifamily Operating Loss Loans	1	3	3
234008 Housing Finance Authority Risk Sharing .....	.....	-2	-3
234010 Health Care and Nursing Homes	-2	-4	-4
234011 Health Care Refinances	-14	-29	-34
234012 Hospitals	-11	-28	-28
234013 Other Rental	-1	.....	.....
234014 Section 234: Condominiums	-74	.....	.....
234015 Section 203(k): Rehabilitation Mortgages	18	15	15
234016 Home Equity Conversion Mortgages	-462	.....	.....
234017 Title I Property Improvement .....	.....	.....	-1
234999 Total subsidy outlays	-593	-130	-176
Guaranteed loan upward reestimates:			
235023 GI/SRI Reestimates	301	6,793	.....
235999 Total upward reestimate budget authority	301	6,793	.....
Guaranteed loan downward reestimates:			
237023 GI/SRI Reestimates	-897	-19	.....
237999 Total downward reestimate subsidy budget authority	-897	-19	.....
Administrative expense data:			
3510 Budget authority	76	.....	.....
3580 Outlays from balances	47	41	21
3590 Outlays from new authority	8	7	.....

This account includes budget authority for General and Special Risk Insurance Fund insurance programs requiring positive credit subsidies. Unlike previous years, this account no longer receives appropriations for administrative contract costs, which is reflected by the considerable reduction in both total budget authority and obligation activities in 2010. Pursuant to the Housing and Economic Recovery Act of 2008 (Pub. L. 110-289), in 2009 the Department consolidated the bulk of FHA single-family programs under the Mutual Mortgage Insurance (MMI) fund, shifting several programs—including condominium mortgage insurance and Home Equity Conversion Mortgage (HECM) insurance—that had previously been administered through this account into the MMI fund.

As required by the Federal Credit Reform Act of 1990, this account records, for the single family, multifamily, hospital, and Title I insurance programs of FHA's General Insurance and Special Risk Insurance Funds, the subsidy costs associated with the loan guarantees committed or direct loans obligated in 1992 and thereafter (including modifications of loan guarantees or direct loans that resulted from obligations or commitments in any year). The subsidy amounts are estimated on a present value basis.

Object Classification (in millions of dollars)

Identification code 86-0200-0-1-371	2008 actual	2009 est.	2010 est.
Direct obligations:			
25.1 Advisory and assistance services	62	49	.....
41.0 Grants, subsidies, and contributions	321	6,796	5

99.9	Total new obligations	383	6,845	5
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FHA-GENERAL AND SPECIAL RISK GUARANTEED LOAN FINANCING ACCOUNT
Program and Financing (in millions of dollars)

Identification code 86-4077-0-3-371	2008 actual	2009 est.	2010 est.
Capital investment, claims and other			
00.01 Default claims	947	1,785	2,178
00.02 Interest paid to Treasury	127	125	125
00.03 Other capital investments and operating expenses	158	126	128
00.14 Contract Costs	26	15	15
00.91 Direct Program by Activities - Subtotal (1 level)	1,258	2,051	2,446
08.01 Payment of negative subsidy to receipt account	621	149	189
08.02 Downward subsidy rate reestimate	634	11	.....
08.04 Interest on subsidy rate reestimates	263	8	.....
08.91 Direct Program by Activities - Subtotal (1 level)	1,518	168	189
10.00 Total new obligations	2,776	2,219	2,635
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1,083	497	6,919
22.00 New financing authority (gross)	2,194	8,641	2,109
22.10 Resources available from recoveries of prior year obligations ...	6	.....	.....
22.60 Portion applied to repay debt	-10	.....	.....
23.90 Total budgetary resources available for obligation	3,273	9,138	9,028
23.95 Total new obligations	-2,776	-2,219	-2,635
24.40 Unobligated balance carried forward, end of year	497	6,919	6,393
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	705	800	800
69.00 Offsetting collections (cash)	1,975	8,041	1,509
69.10 Change in uncollected customer payments from Federal sources (unexpired)	-41	.....	.....
69.47 Portion applied to repay debt	-445	-200	-200
69.90 Spending authority from offsetting collections (total mandatory)	1,489	7,841	1,309
70.00 Total new financing authority (gross)	2,194	8,641	2,109
Change in obligated balances:			
72.40 Obligated balance, start of year	148	278	270
73.10 Total new obligations	2,776	2,219	2,635
73.20 Total financing disbursements (gross)	-2,681	-2,227	-2,588
73.45 Recoveries of prior year obligations	-6	.....	.....
74.00 Change in uncollected customer payments from Federal sources (unexpired)	41	.....	.....
74.40 Obligated balance, end of year	278	270	317
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	2,681	2,227	2,588
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Payments from program account	-19	-3	-4
88.00 Gross Proceeds from sale of mortgage notes (liquidating)	-2	.....	.....
88.00 Subsidy reestimate from program account	-301	-6,793	.....
88.00 Payment from Liquidating Acct from legislative savings .....	.....	.....	.....
88.00 Federal sources-other	-41	.....	.....
88.25 Interest on uninvested funds	-73	-75	-75
88.40 Fees and premiums	-1,192	-633	-648
88.40 Recoveries on defaulted mortgages	-100	-9	-94
88.40 Title I recoveries	-1	-3	-2
88.40 Single family property recoveries	-145	-452	-444
88.40 Gross Proceeds from Mortgage Note Sales	-41	-73	-242
88.40 Multifamily property recoveries .....	.....	.....	.....
88.40 Non-Federal Resources-other	-60	.....	.....
88.90 Total, offsetting collections (cash)	-1,975	-8,041	-1,509
Against gross financing authority only:			
88.95 Change in receivables from program accounts	41	.....	.....
Net financing authority and financing disbursements:			
89.00 Financing authority	260	600	600

90.00	Financing disbursements	706	-5,814	1,079
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4999	Total liabilities and net position	2,603		3,866
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Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4077-0-3-371		2008 actual	2009 est.	2010 est.
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders	45,000	45,000	15,000
2142	Uncommitted loan guarantee limitation	-6,928	-38,020	-7,713
2150	Total guaranteed loan commitments	38,072	6,980	7,287
2199	Guaranteed amount of guaranteed loan commitments	38,072	6,980	7,287
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	102,191	123,256	102,773
2231	Disbursements of new guaranteed loans	38,393	10,686	11,921
2251	Repayments and prepayments	-16,381	-29,384	-6,822
Adjustments:				
2261	Terminations for default that result in loans receivable	-637	-1,144	-1,410
2262	Terminations for default that result in acquisition of property	-306	-566	-655
2263	Terminations for default that result in claim payments	-4	-75	-112
2290	Outstanding, end of year	123,256	102,773	105,695
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year			
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	542	959	1,913
2331	Disbursements for guaranteed loan claims	637	1,144	1,410
2351	Repayments of loans receivable	-123	-169	-426
2361	Write-offs of loans receivable	-97	-21	-19
2390	Outstanding, end of year	959	1,913	2,878

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1992 and thereafter (including modifications of loan guarantees that resulted from commitments in any year) for FHA's General and Special Risk Insurance Fund programs. The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

Balance Sheet (in millions of dollars)

Identification code 86-4077-0-3-371		2007 actual	2008 actual
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	1,231	775
Investments in US securities:			
1106	Receivables, net	301	2,030
Non-Federal assets:			
1201	Investments in non-Federal securities, net	80	29
1206	Receivables, net	-1	40
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:			
1501	Defaulted guaranteed loans receivable, gross	542	959
1502	Interest receivable	187	278
1504	Foreclosed property	330	413
1505	Allowance for subsidy cost	-118	-664
1599	Net value of assets related to defaulted guaranteed loan	941	986
1901	Other Federal assets: Other assets	51	6
1999	Total assets	2,603	3,866
LIABILITIES:			
Federal liabilities:			
2101	Accounts payable Intragovernmental	897	25
2103	Debt	1,445	1,705
Non-Federal liabilities:			
2201	Accounts payable	16	131
2203	Non Federal Debt	5	
2204	Liabilities for loan guarantees	158	1,924
2207	Other	82	81
2999	Total liabilities	2,603	3,866

FHA-GENERAL AND SPECIAL RISK DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4105-0-3-371		2008 actual	2009 est.	2010 est.
Obligations by program activity:				
00.01	Direct loans		1	1
10.00	Total new obligations		1	1
Budgetary resources available for obligation:				
22.00	New financing authority (gross)		1	1
23.95	Total new obligations		-1	-1
24.40	Unobligated balance carried forward, end of year			
New financing authority (gross), detail:				
Mandatory:				
67.10	Authority to borrow		1	1
69.00	Offsetting collections (cash)		1	1
69.47	Portion applied to repay debt		-1	-1
69.90	Spending authority from offsetting collections (total mandatory)			
70.00	Total new financing authority (gross)		1	1
Change in obligated balances:				
73.10	Total new obligations		1	1
73.20	Total financing disbursements (gross)		-1	-1
Outlays (gross), detail:				
87.00	Total financing disbursements (gross)		1	1
Offsets:				
Against gross financing authority and financing disbursements:				
88.40	Offsetting collections (cash) from: Repayment of Principal		-1	-1
Net financing authority and financing disbursements:				
89.00	Financing authority			
90.00	Financing disbursements			

Status of Direct Loans (in millions of dollars)

Identification code 86-4105-0-3-371		2008 actual	2009 est.	2010 est.
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans	50	50	20
1142	Unobligated direct loan limitation (-)	-50	-49	-19
1150	Total direct loan obligations		1	1

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and thereafter (including loan modifications) for FHA's General Insurance and Special Risk Insurance Fund programs. The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

FHA-LOAN GUARANTEE RECOVERY FUND FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4106-0-3-371		2008 actual	2009 est.	2010 est.
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	4	5	6
22.00	New financing authority (gross)	1	1	1
23.90	Total budgetary resources available for obligation	5	6	7

FHA-LOAN GUARANTEE RECOVERY FUND FINANCING ACCOUNT—Continued
Program and Financing —Continued

Identification code 86-4106-0-3-371	2008 actual	2009 est.	2010 est.
24.40 Unobligated balance carried forward, end of year	5	6	7
New financing authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	1	1	1
Change in obligated balances:			
72.40 Obligated balance, start of year	-1	-1	-2
73.20 Total financing disbursements (gross)		-1	-1
74.40 Obligated balance, end of year	-1	-2	-3
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)		1	1
Offsets:			
Against gross financing authority and financing disbursements:			
88.25 Offsetting collections (cash) from: Interest on uninvested funds	-1	-1	-1
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	-1		

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4106-0-3-371	2008 actual	2009 est.	2010 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders			
2121 Limitation available from carry-forward	1		
2143 Uncommitted limitation carried forward			
2150 Total guaranteed loan commitments	1		
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	7	5	3
2231 Disbursements of new guaranteed loans			
2251 Repayments and prepayments	-2	-2	-2
2290 Outstanding, end of year	5	3	1
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	5	3	1

Section 4 of the Church Arson Prevention Act of 1996 (P.L. 104-155), entitled "Loan Guarantee Recovery Fund," authorizes the Secretary of Housing and Urban Development to guarantee loans made by financial institutions to assist certain nonprofit organizations that were damaged as a result of acts of arson or terrorism. The most recent loan was made in 2007 and a default payment was made in 2009. As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1992 and thereafter. The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

Balance Sheet (in millions of dollars)

Identification code 86-4106-0-3-371	2007 actual	2008 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	4	4
1999 Total assets	4	4
LIABILITIES:		
2204 Non-Federal liabilities: Liabilities for loan guarantees	4	4
2999 Total liabilities	4	4

4999 Total liabilities and net position	4	4
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FHA-GENERAL AND SPECIAL RISK INSURANCE FUNDS LIQUIDATING ACCOUNT
Program and Financing (in millions of dollars)

Identification code 86-4072-0-3-371	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
Operating expenses			
00.02 Interest on debentures	6	10	10
00.03 Other operating costs		4	4
00.06 PAE & 3rd party restructuring fees	12	12	12
00.91 Total operating expenses	18	26	26
Capital investment: Claims and other			
01.02 Assignment of mortgages	17	12	7
01.04 Mark-To-Market Restructures	51	160	13
01.05 Acquisition of real properties	1	1	1
01.10 Capitalized Expenses	5	34	
01.11 Escrow Advances	104	100	100
01.12 Upfront Grants		1	1
01.13 Other	5	10	10
01.14 M&M Contract		1	1
01.16 Payment to the Financing Account-Asset Sale	2		
01.91 Total capital investment	185	319	133
10.00 Total new obligations	203	345	159

Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	235	269	
22.00 New budget authority (gross)	454	358	259
22.10 Resources available from recoveries of prior year obligations ...	27		
22.40 Capital transfer to general fund	-235	-273	
22.60 Portion applied to repay debt	-9	-9	-100
23.90 Total budgetary resources available for obligation	472	345	159
23.95 Total new obligations	-203	-345	-159
24.40 Unobligated balance carried forward, end of year	269		

New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	113	97	101
67.10 Authority to borrow	3	116	100
69.00 Offsetting collections (cash)	334	145	58
69.10 Change in uncollected customer payments from Federal sources (unexpired)	4		
69.90 Spending authority from offsetting collections (total mandatory)	338	145	58
70.00 Total new budget authority (gross)	454	358	259

Change in obligated balances:			
72.40 Obligated balance, start of year	570	488	442
73.10 Total new obligations	203	345	159
73.20 Total outlays (gross)	-254	-391	-278
73.45 Recoveries of prior year obligations	-27		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-4		
74.40 Obligated balance, end of year	488	442	323

Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		171	78
86.98 Outlays from mandatory balances	254	220	200
87.00 Total outlays (gross)	254	391	278

Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources		-4	
88.40 Fees and premiums	-29	-17	-12
88.40 Proceeds from sale of real property	-3	-77	
88.40 Proceeds from sale of mortgage notes	-103		
88.40 Recoveries on defaulted mortgages	-145	-47	-46
88.40 Interest, dividends and revenue	-53		
88.40 Other collections	-1		
88.90 Total, offsetting collections (cash)	-334	-145	-58
Against gross budget authority only:			

88.95	Change in uncollected customer payments from Federal sources (unexpired)	-4		
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Net budget authority and outlays:				
89.00	Budget authority	116	213	201
90.00	Outlays	-80	246	220

Memorandum (non-add) entries:				
92.01	Total investments, start of year: Federal securities: Par value	5	8	
92.02	Total investments, end of year: Federal securities: Par value	8		

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4072-0-3-371	2008 actual	2009 est.	2010 est.	
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	5,609	4,558	3,202
2251	Repayments and prepayments	-963	-1,183	-895
Adjustments:				
2261	Terminations for default that result in loans receivable	-87	-172	-20
2262	Terminations for default that result in acquisition of property	-1	-1	-1
2290	Outstanding, end of year	4,558	3,202	2,286

Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	3,690	2,594	1,852

Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	2,994	2,814	2,938
2331	Disbursements for guaranteed loan claims	87	172	20
2351	Repayments of loans receivable	-178	-47	-46
2361	Write-offs of loans receivable	-89	-1	
2390	Outstanding, end of year	2,814	2,938	2,912

The General Insurance fund provides insurance for a large number of specialized mortgage insurance programs, including insurance of loans for property improvements, cooperatives, condominiums, nursing homes, rental housing and nonprofit hospitals. The Special Risk Insurance fund provides insurance on behalf of mortgagors who otherwise would not be eligible for mortgage insurance.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from loan guarantees committed and direct loans obligated prior to 1992. This account is shown on a cash basis. New insurance and direct loan activity in 1992 and thereafter in the GI/SRI programs are recorded in corresponding program (86-0200) and financing (86-4077 and 86-4105) accounts.

Balance Sheet (in millions of dollars)

Identification code 86-4072-0-3-371	2007 actual	2008 actual	
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	800	751
Investments in US securities:			
1102	Treasury securities, par	5	8
Non-Federal assets:			
1201	Investments in non-Federal securities, net	3	3
1206	Receivables, net	1	5
1701	Defaulted guaranteed loans, gross	2,994	2,814
1702	Interest receivable	212	188
1703	Allowance for estimated uncollectible loans and interest (-)	-808	-750
1704	Defaulted guaranteed loans and interest receivable, net	2,398	2,252
1706	Foreclosed property	5	6
1799	Value of assets related to loan guarantees	2,403	2,258
1901	Other Federal assets: Other assets	6	3
1999	Total assets	3,218	3,028
LIABILITIES:			
2101	Federal liabilities: Federal Accounts payable	44	
Non-Federal liabilities:			
2201	Accounts payable	19	19

2202	Interest payable	1	
2203	Debt	64	51
2204	Liabilities for loan guarantees	283	162
2207	Unearned revenue and advances	199	174
2999	Total liabilities	610	406

NET POSITION:			
3100	Appropriated capital	474	2,385
3300	Cumulative results of operations	2,134	237
3999	Total net position	2,608	2,622
4999	Total liabilities and net position	3,218	3,028

Object Classification (in millions of dollars)

Identification code 86-4072-0-3-371	2008 actual	2009 est.	2010 est.	
Direct obligations:				
25.2	Other services	17	27	27
32.0	Land and structures	6	36	2
33.0	Investments and loans	172	272	120
43.0	Interest and dividends	6	10	10
44.0	Repayments to financing account	2		
99.9	Total new obligations	203	345	159

HOUSING FOR THE ELDERLY OR HANDICAPPED FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4115-0-3-371	2008 actual	2009 est.	2010 est.	
Obligations by program activity:				
00.02	Maintenance security and collateral	15	15	
01.02	Loan Management, Liquidations and Property Dispositions	3		
10.00	Total new obligations (object class 32.0)	3	15	15

Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	14	996	
22.00	New budget authority (gross)	998	1,050	1,050
22.10	Resources available from recoveries of prior year obligations	1		
22.40	Capital transfer to general fund	-14	-2,031	-1,035
23.90	Total budgetary resources available for obligation	999	15	15
23.95	Total new obligations	-3	-15	-15
24.40	Unobligated balance carried forward, end of year	996		

New budget authority (gross), detail:				
Mandatory:				
69.00	Offsetting collections (cash)	998	1,050	1,050

Change in obligated balances:				
72.40	Obligated balance, start of year	3	4	4
73.10	Total new obligations	3	15	15
73.20	Total outlays (gross)	-1	-15	-15
73.45	Recoveries of prior year obligations	-1		
74.40	Obligated balance, end of year	4	4	4

Outlays (gross), detail:				
86.97	Outlays from new mandatory authority	15	15	
86.98	Outlays from mandatory balances	1		
87.00	Total outlays (gross)	1	15	15

Offsets:				
Against gross budget authority and outlays:				
88.40	Offsetting collections (cash) from: Non-Federal sources	-998	-1,050	-1,050

Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	-997	-1,035	-1,035

Status of Direct Loans (in millions of dollars)

Identification code 86-4115-0-3-371	2008 actual	2009 est.	2010 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	4,594	3,944	3,194
1251	Repayments: Repayments and prepayments	-650	-750	-750

**HOUSING FOR THE ELDERLY OR HANDICAPPED FUND LIQUIDATING
ACCOUNT—Continued
Status of Direct Loans —Continued**

Identification code 86-4115-0-3-371		2008 actual	2009 est.	2010 est.
1264	Write-offs for default: Other adjustments, net (+ or -)			
1290	Outstanding, end of year	3,944	3,194	2,444

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from direct loans obligated prior to 1992. The Housing for the Elderly or Handicapped Fund, a combined liquidating account was established pursuant to section 202 of the Housing Act of 1959, as amended. The loan program is no longer active - no new loan commitments were made after 1991 - although projects developed under it continue to operate. The program provided direct loans to non-profit organizations sponsoring the construction and management of rental housing for the elderly or non-elderly persons with disabilities. Any remaining activity for the loan program includes amendments for projects reaching final endorsement.

After April 1, 1992, all projects for which there were administrative reservations converted to the capital advance assistance program.

Balance Sheet (in millions of dollars)

Identification code 86-4115-0-3-371		2007 actual	2008 actual
ASSETS:			
1101	Federal assets: Fund balances with Treasury	17	999
1206	Non-Federal assets: Interest Receivable: Public	57	49
1601	Direct loans, gross	4,594	3,943
1603	Allowance for estimated uncollectible loans and interest (-)	-18	-13
1604	Direct loans and interest receivable, net	4,576	3,930
1606	Acquired Real Property	1	
1699	Value of assets related to direct loans	4,577	3,930
1999	Total assets	4,651	4,978
LIABILITIES:			
2207	Non-Federal liabilities: Other	30	6
2999	Total liabilities	30	6
NET POSITION:			
3100	Unexpended Appropriations	16	15
3300	Revolving Fund: Cumulative results of operations	4,605	4,957
3999	Total net position	4,621	4,972
4999	Total liabilities and net position	4,651	4,978

Trust Funds

MANUFACTURED HOUSING FEES TRUST FUND

Special and Trust Fund Receipts (in millions of dollars)

Identification code 86-8119-0-7-376		2008 actual	2009 est.	2010 est.
01.00	Balance, start of year			
01.99	Balance, start of year			
Receipts:				
02.40	General Fund Payment, Manufactured Housing Fee Trust Fund		5	9
02.60	Mobile Home Inspection and Monitoring Fees, Manufactured Housing Fee Trust Fund	6	11	7
02.99	Total receipts and collections	6	16	16
04.00	Total: Balances and collections	6	16	16
Appropriations:				
05.00	Manufactured Housing Fees Trust Fund	-6	-16	-16
07.99	Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 86-8119-0-7-376		2008 actual	2009 est.	2010 est.
Obligations by program activity:				
00.01	Transfer to salaries and expenses	2	1	2
00.02	Other program costs	5	14	14
10.00	Total new obligations (object class 25.2)	7	15	16
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	3	2	3
22.00	New budget authority (gross)	6	16	16
23.90	Total budgetary resources available for obligation	9	18	19
23.95	Total new obligations	-7	-15	-16
24.40	Unobligated balance carried forward, end of year	2	3	3
New budget authority (gross), detail:				
Discretionary:				
40.26	Appropriation (trust fund)	6	16	16
Change in obligated balances:				
72.40	Obligated balance, start of year	1	1	
73.10	Total new obligations	7	15	16
73.20	Total outlays (gross)	-7	-16	-16
74.40	Obligated balance, end of year	1		
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	3	13	13
86.93	Outlays from discretionary balances	4	3	3
87.00	Total outlays (gross)	7	16	16
Net budget authority and outlays:				
89.00	Budget authority	6	16	16
90.00	Outlays	7	16	16

The National Manufactured Housing Construction and Safety Standards Act of 1974, as amended by the Manufactured Housing Improvement Act of 2000, authorizes development and enforcement of appropriate standards for the construction, design, and performance of manufactured homes to assure their quality, durability, affordability, and safety. All manufactured homes produced since the standards took effect on June 15, 1976 must comply with Federal construction and safety standards. The States are actively encouraged to participate in the program under compliance plans approved by HUD. New program requirements mandated by the Manufactured Housing Improvement Act of 2000 include procurement of an Administering Organization, formation of a Consensus Committee to recommend revisions to and interpretations of the manufactured housing standards, development and implementation of standards for installation of manufactured housing, and development and implementation of a dispute resolution program.

Fees are charged to the manufacturers for each manufactured home transportable section produced and to any dispute resolution and installation program participant. Approximately \$7 million in fees and appropriations of \$9 million will be used to fund the costs of authorized activities necessary for the consensus committee, HUD, and its agents to carry out all aspects of the manufactured housing legislation. Fees are deposited in a trust fund administered by the Department, and a portion of the fee receipts are transferred to the salaries and expenses account to defray the direct administrative expenses of the program. The requested appropriation will offset the effect of declining fee

revenue caused by a substantial reduction in manufactured housing production rates.

Retrofit Program for Multifamily Housing, Recovery Act account (86-0306).

GREEN RETROFIT PROGRAM FOR MULTIFAMILY HOUSING FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4589-0- -604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Direct Loans		92	101
00.02 Payment of Interest to Treasury			1
10.00 Total new obligations		92	102
Budgetary resources available for obligation:			
22.00 New financing authority (gross)		92	102
23.95 Total new obligations		-92	-102
24.40 Unobligated balance carried forward, end of year			
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow		9	18
69.00 Offsetting collections (cash)		2	86
69.10 Change in uncollected customer payments from Federal sources (unexpired)		81	-2
69.90 Spending authority from offsetting collections (total mandatory)		83	84
70.00 Total new financing authority (gross)		92	102
Change in obligated balances:			
72.40 Obligated balance, start of year			9
73.10 Total new obligations		92	102
73.20 Total financing disbursements (gross)		-2	-96
74.00 Change in uncollected customer payments from Federal sources (unexpired)		-81	2
74.40 Obligated balance, end of year		9	17
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)		2	96
Offsets:			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from: Federal sources		-2	-86
Against gross financing authority only:			
88.95 Change in receivables from program accounts		-81	2
Net financing authority and financing disbursements:			
89.00 Financing authority		9	18
90.00 Financing disbursements			10

Status of Direct Loans (in millions of dollars)

Identification code 86-4589-0- -604	2008 actual	2009 est.	2010 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans			
1131 Direct loan obligations exempt from limitation		92	101
1150 Total direct loan obligations		92	101
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year			2
1231 Disbursements: Direct loan disbursements		2	96
1251 Repayments: Repayments and prepayments			
1290 Outstanding, end of year		2	98

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans in the Green Retrofit Program, which is funded solely through the Recovery Act (P.L. 111-5). The program account for this activity is displayed in the Green

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

The Government National Mortgage Association (GNMA) was formed by Congress in 1968. It is a wholly owned government corporation within the U.S. Department of Housing and Urban Development (HUD). It was established to support Federal housing initiatives by providing liquidity to the secondary mortgage market and to attract capital from the global capital markets for the nation's mortgage markets. Its primary function is to guarantee the timely payment of principal and interest on Mortgage-Backed Securities (MBS) that are backed by loans insured or guaranteed by the Federal Housing Administration (FHA), the Department of Veterans Affairs (VA), Rural Development in the U.S. Department of Agriculture, and HUD's Office of Public and Indian Housing.

GNMA issuers are assessed commitment, guarantee, and other fees to cover costs incurred by GNMA, and to fund a reserve against possible future payments under the guarantee.

Federal Funds

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

New commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed **[\$300,000,000,000] \$500,000,000,000**, to remain available until September 30, **[2010: Provided, That to the extent new guarantees of mortgage-backed securities exceed \$75,000,000,000 on or before April 1, 2009, an additional \$1,000 for administrative contract expenses shall be available for each \$1,000,000 in additional guaranteed loan commitments (including a pro rata amount for any amount below \$1,000,000) but in no case shall funds made available by this proviso exceed \$14,000,000] 2011.** (Department of Housing and Urban Development Appropriations Act, 2009.)

Special and Trust Fund Receipts (in millions of dollars)

Identification code 86-0186-0-1-371	2008 actual	2009 est.	2010 est.
01.00 Balance, start of year	3,033	3,495	4,117
01.99 Balance, start of year	3,033	3,495	4,117
Receipts:			
02.20 GNMA-guarantees of Mortgage Backed Securities Guarantee Loans, Negative Subsidies	462	630	720
02.21 GNMA-guarantees of Mortgage Backed Securities Guarantee Loans, Negative Subsidies - legislative proposal subject to PAYGO		2	13
02.99 Total receipts and collections	462	632	733
04.00 Total: Balances and collections	3,495	4,127	4,850
Appropriations:			
05.00 Office of the Government National Mortgage Association Personnel Compensation and Benefits		-10	-11
07.99 Balance, end of year	3,495	4,117	4,839

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86-0186-0-1-371	2008 actual	2009 est.	2010 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Guarantees of Mortgage-Backed Securities	220,605	300,000	300,000
215999 Total loan guarantee levels	220,605	300,000	300,000
Guaranteed loan subsidy (in percent):			
232001 Guarantees of Mortgage-Backed Securities	-0.21	-0.21	-0.24
232999 Weighted average subsidy rate	-0.21	-0.21	-0.24

**GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM
ACCOUNT—Continued**
Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program —Continued

Identification code 86-0186-0-1-371	2008 actual	2009 est.	2010 est.
Guaranteed loan subsidy budget authority:			
233001 Guarantees of Mortgage-Backed Securities	-463	-630	-720
233999 Total subsidy budget authority	-463	-630	-720
Guaranteed loan subsidy outlays:			
234001 Guarantees of Mortgage-Backed Securities	-462	-630	-720
234999 Total subsidy outlays	-462	-630	-720
Administrative expense data:			
3510 Budget authority	8		
3590 Outlays from new authority	8		

This account requests loan commitment authority. All cash flows to and from the government are recorded in the financing account on a cash basis. The net present value of such estimated flows for the cohort of credit instruments guaranteed are deposited into the GNMA receipt account.

The Administration supports modifications to the Hope for Homeowners program to make it more attractive while retaining important safeguards against excessive risk. These amendments include more underwriting flexibility and lower premia and appreciation sharing assessments. As a result of this proposal, GNMA will experience a higher level of securitization. These budgetary effects are shown under the schedules for a Legislative proposal for this account and the GNMA Financing account.

**GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM
ACCOUNT**

(Legislative proposal, subject to PAYGO)

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86-0186-4-1-371	2008 actual	2009 est.	2010 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215003 HOPE for Homeowners Mortgages		900	5,500
215999 Total loan guarantee levels		900	5,500
Guaranteed loan subsidy (in percent):			
232003 HOPE for Homeowners Mortgages		-0.21	-0.24
Guaranteed loan subsidy budget authority:			
233003 HOPE for Homeowners Mortgages		-2	-13
233999 Total subsidy budget authority		-2	-13
Guaranteed loan subsidy outlays:			
234003 HOPE for Homeowners Mortgages		-2	-13
234999 Total subsidy outlays		-2	-13

GUARANTEES OF MORTGAGE-BACKED SECURITIES FINANCING ACCOUNT
Program and Financing (in millions of dollars)

Identification code 86-4240-0-3-371	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.03 Advances and other	78	228	255
00.04 Operating expenses	43	51	52
00.91 Direct Program by Activities - Subtotal (1 level)	121	279	307
08.01 Payment to receipt account for negative subsidy	463	630	720
10.00 Total new obligations	584	909	1,027
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1,325	1,235	1,023
22.00 New financing authority (gross)	494	697	774
23.90 Total budgetary resources available for obligation	1,819	1,932	1,797
23.95 Total new obligations	-584	-909	-1,027

24.40 Unobligated balance carried forward, end of year	1,235	1,023	770
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New financing authority (gross), detail:

Mandatory:			
69.00 Offsetting collections (cash)	517	697	774
69.10 Change in uncollected customer payments from Federal sources (unexpired)	-23		
69.90 Spending authority from offsetting collections (total mandatory)	494	697	774
Change in obligated balances:			
72.40 Obligated balance, start of year	64	95	-18
73.10 Total new obligations	584	909	1,027
73.20 Total financing disbursements (gross)	-576	-1,022	-1,315
74.00 Change in uncollected customer payments from Federal sources (unexpired)	23		
74.40 Obligated balance, end of year	95	-18	-306

Outlays (gross), detail:

87.00 Total financing disbursements (gross)	576	1,022	1,315
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Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.25 Interest on uninvested funds	-72	-91	-93
88.40 Guarantee Fees	-307	-443	-508
88.40 Commitment and other fees	-97	-103	-112
88.40 Multiclass fees	-18	-29	-29
88.40 Repayment of advances	-19	-25	-26
88.40 Servicing Fees	-2	-4	-4
88.40 Repayment on Mortgages	-2	-2	-2
88.90 Total, offsetting collections (cash)	-517	-697	-774
Against gross financing authority only:			
88.95 Change in receivables from program accounts	23		

Net financing authority and financing disbursements:

89.00 Financing authority			
90.00 Financing disbursements	59	325	541

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4240-0-3-371	2008 actual	2009 est.	2010 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	200,000	300,000	500,000
2121 Limitation available from carry-forward	200,000	179,395	479,395
2131 Guaranteed loan commitments exempt from limitation		300,000	
2142 Uncommitted loan guarantee limitation			
2143 Uncommitted limitation carried forward	-179,395	-479,395	-679,395
2150 Total guaranteed loan commitments	220,605	300,000	300,000
2199 Guaranteed amount of guaranteed loan commitments	220,605	300,000	300,000
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	427,566	576,575	692,471
2231 Disbursements of new guaranteed loans	220,400	300,000	300,000
2251 Repayments and prepayments	-71,391	-184,104	-374,999
2290 Outstanding, end of year	576,575	692,471	617,472
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	576,575	692,471	617,472

This non-budgetary account records all cash flows to and from the Government resulting from the loan guarantees committed in 1992 and beyond (including modifications of loan guarantees that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals. No administrative expenses can be recorded in the financing account.

Balance Sheet (in millions of dollars)

Identification code 86-4240-0-3-371	2007 actual	2008 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	1,389	1,330
1206 Non-Federal assets: Receivables, net	26	31
Net value of assets related to post-1991 direct loans receivable:		

1401	Direct loans receivable, gross	32	49
1405	Allowance for subsidy cost (-)	-16	-20
1499	Net present value of assets related to direct loans	16	29
1803	Other Federal assets: Property, plant and equipment, net	426	670
1999	Total assets	1,857	2,060
LIABILITIES:			
Non-Federal liabilities:			
2201	Accounts payable	87	121
2207	Other	452	680
2999	Total liabilities	539	801
NET POSITION:			
3300	Cumulative results of operations	1,318	1,259
3999	Total net position	1,318	1,259
4999	Total liabilities and net position	1,857	2,060

GUARANTEES OF MORTGAGE-BACKED SECURITIES FINANCING ACCOUNT
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 86-4240-4-3-371				
		2008 actual	2009 est.	2010 est.
Obligations by program activity:				
08.01	Payment to receipt account for negative subsidy		2	13
10.00	Total new obligations		2	13
Budgetary resources available for obligation:				
22.00	New financing authority (gross)		2	13
23.95	Total new obligations		-2	-13
New financing authority (gross), detail:				
Mandatory:				
69.00	Offsetting collections (cash)		2	13
Change in obligated balances:				
73.10	Total new obligations		2	13
73.20	Total financing disbursements (gross)		-2	-13
Outlays (gross), detail:				
87.00	Total financing disbursements (gross)		2	13
Offsets:				
Against gross financing authority and financing disbursements:				
88.40	Offsetting collections (cash) from: Guarantee Fees		-2	-13
Net financing authority and financing disbursements:				
89.00	Financing authority			
90.00	Financing disbursements			

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4240-4-3-371				
		2008 actual	2009 est.	2010 est.
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders			
2121	Limitation available from carry-forward			-900
2131	Guaranteed loan commitments exempt from limitation			
2143	Uncommitted limitation carried forward		900	6,400
2150	Total guaranteed loan commitments		900	5,500
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year			900
2231	Disbursements of new guaranteed loans		900	5,500
2290	Outstanding, end of year		900	6,400
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year		900	6,400

GUARANTEES OF MORTGAGE-BACKED SECURITIES LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4238-0-3-371				
		2008 actual	2009 est.	2010 est.
Obligations by program activity:				
00.01	Administrative contract expenses	49	60	61
Operating expenses				
00.03	Servicing expenses	9	4	4
00.91	Total operating expenses	58	64	65
Capital investment				
01.01	Advances of guaranty payments	3	25	25
10.00	Total new obligations	61	89	90
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	8,727	9,232	9,791
22.00	New budget authority (gross)	566	648	658
23.90	Total budgetary resources available for obligation	9,293	9,880	10,449
23.95	Total new obligations	-61	-89	-90
24.40	Unobligated balance carried forward, end of year	9,232	9,791	10,359
New budget authority (gross), detail:				
Mandatory:				
60.00	Appropriation		61	62
69.00	Offsetting collections (cash)	583	587	596
69.10	Change in uncollected customer payments from Federal sources (unexpired)	-17		
69.90	Spending authority from offsetting collections (total mandatory)	566	587	596
70.00	Total new budget authority (gross)	566	648	658
Change in obligated balances:				
72.40	Obligated balance, start of year	-12	-1	-83
73.10	Total new obligations	61	89	90
73.20	Total outlays (gross)	-67	-171	-98
74.00	Change in uncollected customer payments from Federal sources (unexpired)	17		
74.40	Obligated balance, end of year	-1	-83	-91
Outlays (gross), detail:				
86.97	Outlays from new mandatory authority	67	171	98
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.20	Interest on Federal securities	-576	-571	-580
88.40	Repayments of guaranteed payments	-4	-4	-4
88.40	Repayments on mortgages	-1	-1	-1
88.40	Other	-2	-11	-11
88.90	Total, offsetting collections (cash)	-583	-587	-596
Against gross budget authority only:				
88.95	Change in uncollected customer payments from Federal sources (unexpired)	17		
Net budget authority and outlays:				
89.00	Budget authority		61	62
90.00	Outlays	-516	-416	-498
Memorandum (non-add) entries:				
92.01	Total investments, start of year: Federal securities: Par value	8,759	9,271	9,538
92.02	Total investments, end of year: Federal securities: Par value	9,271	9,538	9,919

Status of Direct Loans (in millions of dollars)

Identification code 86-4238-0-3-371				
		2008 actual	2009 est.	2010 est.
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	7	2	2
1232	Disbursements: Purchase of loans assets from the public	1		
1252	Repayments: Proceeds from loan asset sales to the public or discounted	-4		
1263	Write-offs for default: Direct loans	-2		
1290	Outstanding, end of year	2	2	2

**GUARANTEES OF MORTGAGE-BACKED SECURITIES LIQUIDATING
ACCOUNT—Continued**
Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4238-0-3-371	2008 actual	2009 est.	2010 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	53	39	27
2251 Repayments and prepayments	-14	-12	-10
2290 Outstanding, end of year	39	27	17
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	39	27	17

This liquidating account records, for this program, all cash flows to and from the Government resulting from MMI/CMHI loans insured prior to 1992 and is shown on a cash basis. All new activity in this program in 1992 and thereafter (including modifications of loans insured in any year) is recorded in the corresponding program and financing accounts.

Balance Sheet (in millions of dollars)

Identification code 86-4238-0-3-371	2007 actual	2008 actual
ASSETS:		
Federal assets:		
Investments in US securities:		
1102 Treasury securities, par	8,736	9,254
1106 Receivables, net	53	37
1206 Non-Federal assets: Receivables, net	11	11
1601 Direct loans, gross	8	2
1603 Allowance for estimated uncollectible loans and interest (-)	-15	-9
1699 Value of assets related to direct loans	-7	-7
1901 Other Federal assets: Other assets	17	27
1999 Total assets	8,810	9,322
LIABILITIES:		
Non-Federal liabilities:		
2201 Accounts payable	41	36
2207 Other	510	513
2999 Total liabilities	551	549
NET POSITION:		
3300 Cumulative results of operations	8,259	8,773
3999 Total net position	8,259	8,773
4999 Total liabilities and net position	8,810	9,322

Object Classification (in millions of dollars)

Identification code 86-4238-0-3-371	2008 actual	2009 est.	2010 est.
Direct obligations:			
25.2 Other services	58	64	65
33.0 Investments and loans	3	25	25
99.9 Total new obligations	61	89	90

POLICY DEVELOPMENT AND RESEARCH

Federal Funds

RESEARCH AND TECHNOLOGY

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1 et seq.), including carrying out the functions of the Secretary of Housing and Urban Development under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, **[\$58,000,000]** \$50,000,000, to remain available until September 30, **[2010: Provided, That of the funds made available under this heading, \$23,000,000 is for grants pursuant to section 107 of the Housing and Community Development Act of 1974 (42 U.S.C. 5307): Provided further, That at least \$1,000,000 shall be available for the Secretary to conduct a comprehensive**

study to be managed by the Office of Policy Development and Research, to analyze the administrative costs necessary to carry-out the tenant-based voucher program: *Provided further, That of the total amount made available, \$2,000,000 may be made available for technology directly related to disaster prone areas* **2011. (Department of Housing and Urban Development Appropriations Act, 2009.)**

Program and Financing (in millions of dollars)

Identification code 86-0108-0-1-451	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Housing Research	29	35	50
00.04 University Programs	23	24	.....
10.00 Total new obligations	52	59	50
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3	1	.....
22.00 New budget authority (gross)	50	58	50
23.90 Total budgetary resources available for obligation	53	59	50
23.95 Total new obligations	-52	-59	-50
24.40 Unobligated balance carried forward, end of year	1	.....	.....
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	51	58	50
40.36 Unobligated balance permanently reduced	-1	.....	.....
43.00 Appropriation (total discretionary)	50	58	50
Change in obligated balances:			
72.40 Obligated balance, start of year	64	75	72
73.10 Total new obligations	52	59	50
73.20 Total outlays (gross)	-40	-62	-64
73.40 Adjustments in expired accounts (net)	-1	.....	.....
74.40 Obligated balance, end of year	75	72	58
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	18	23	20
86.93 Outlays from discretionary balances	22	39	44
87.00 Total outlays (gross)	40	62	64
Net budget authority and outlays:			
89.00 Budget authority	50	58	50
90.00 Outlays	40	62	64

The Budget requests \$50 million for HUD's Research and Technology program. This request includes additional funds to restore and enhance various national housing surveys that are rich sources of data on the nation's housing stock. These surveys include the American Housing Survey, the Survey of New Home Sales and Completions, the Survey of Market Absorption of Multifamily Units, the Survey of New Manufactured Housing Placements, and the new Multifamily Residential Housing Survey. Program staff will also conduct transformative research as part of HUD's Transformation Initiative set-aside, Community Planning and Development and disaster formula calculations, and research and policy work related to the American Recovery and Reinvestment Act of 2009 (P.L. 111-5). The University Partnership Programs will be transformed into the University Community Fund and will be funded from the Community Development Fund account.

The Housing and Urban Development Act of 1970 directs the Secretary to undertake programs of research, studies, testing, and demonstrations related to the HUD mission. These functions are carried out internally by Policy Development and Research staff and through contracts with industry, nonprofit research organizations, and educational institutions, and through agreements with State and local governments and other Federal agencies.

Object Classification (in millions of dollars)

Identification code 86-0108-0-1-451	2008 actual	2009 est.	2010 est.
Direct obligations:			
25.2 Other services	29	35	50
41.0 Grants, subsidies, and contributions	23	24	.....
99.9 Total new obligations	52	59	50

FAIR HOUSING AND EQUAL OPPORTUNITY

Federal Funds

FAIR HOUSING ACTIVITIES

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and section 561 of the Housing and Community Development Act of 1987, as amended, **[\$53,500,000]** \$72,000,000, to remain available until September 30, **[2010]** 2011, of which **[\$27,500,000]** \$42,500,000 shall be to carry out activities pursuant to such section 561 [of which up to \$2,000,000 shall be made available to carryout authorized activities to protect the public from mortgage rescue scams]: *Provided*, That notwithstanding 31 U.S.C. 3302, the Secretary may assess and collect fees to cover the costs of the Fair Housing Training Academy, and may use such funds to provide such training: *Provided further*, That no funds made available under this heading shall be used to lobby the executive or legislative branches of the Federal Government in connection with a specific contract, grant or loan: *Provided further*, That of the funds made available under this heading, \$500,000 shall be available to the Secretary of Housing and Urban Development for the creation and promotion of translated materials and other programs that support the assistance of persons with limited English proficiency in utilizing the services provided by the Department of Housing and Urban Development. (*Department of Housing and Urban Development Appropriations Act, 2009.*)

Program and Financing (in millions of dollars)

Identification code 86-0144-0-1-751	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Fair housing assistance	25	25	29
00.02 Fair housing initiatives	1	51	43
00.03 Fair housing initiatives IA	1	.....	.....
10.00 Total new obligations (object class 41.0)	27	76	72
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	4	27	5
22.00 New budget authority (gross)	50	54	72
23.90 Total budgetary resources available for obligation	54	81	77
23.95 Total new obligations	-27	-76	-72
24.40 Unobligated balance carried forward, end of year	27	5	5
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	50	54	72
Change in obligated balances:			
72.40 Obligated balance, start of year	62	35	64
73.10 Total new obligations	27	76	72
73.20 Total outlays (gross)	-54	-47	-52
74.40 Obligated balance, end of year	35	64	84
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	5	5	7
86.93 Outlays from discretionary balances	49	42	45
87.00 Total outlays (gross)	54	47	52
Net budget authority and outlays:			
89.00 Budget authority	50	54	72
90.00 Outlays	54	47	52

The Budget requests \$72 million for fair housing activities to support efforts to end housing discrimination. Of the amount requested, \$29.5 million is for the Fair Housing Assistance Program (FHAP) and \$42.5 million is for the Fair Housing Initiatives Program (FHIP).

This funding includes \$12 million for FHIP and \$1 million for FHAP to support the Department-wide Combating Abusive and Fraudulent Mortgage Practices Initiative, which recognizes the necessity and priority of funding outreach and enforcement efforts to fight mortgage abuse. The FHIP allocation includes \$4.5 million for leading fair housing groups with experience in lending activities, \$4.5 million to integrate the approaches undertaken by consumer protection and fair lending organization, \$2 million for local outreach efforts, and \$1 million for training of housing counselors. In addition, \$1 million will be used for training to enhance the capacity of FHAP agencies to address lending discrimination and mortgage abuse.

FHAP, authorized by Title VIII of the Civil Rights Act of 1968 as amended, provides funding to State and local agencies to assure prompt and effective processing of Title VIII (Civil Rights Act of 1968) complaints. To be eligible for assistance through FHAP, an agency must demonstrate that the fair housing law it administers is substantially equivalent to the Fair Housing Act. It is estimated that there will be a total of 107 FHAP agencies in 2010. The funding requested for FHAP will support fair housing enforcement by funding State and local fair housing organizations to meet the needs of currently underserved populations. It will also address the persistently high rate of discrimination against minorities as identified by HUD's 2000 Housing Discrimination Study.

FHIP, authorized by the Housing and Community Development Act of 1987, as amended by the Housing and Community Development Act of 1992, provides funding to States and local governments, and to public and private non-profit organizations that administer programs to prevent or eliminate discriminatory housing practices. FHIP also provides funding to programs and activities designed to enforce the rights granted by Title VIII of the Civil Rights Act of 1968, or substantially equivalent State and local fair housing laws. In addition, FHIP supports funding for education and outreach programs designed to inform the public concerning rights and obligations under these laws.

OFFICE OF LEAD HAZARD CONTROL AND HEALTHY HOMES

Federal Funds

LEAD HAZARD REDUCTION

For the Lead Hazard Reduction Program, as Authorized by section 1011 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, \$140,000,000, to remain available until September 30, **[2010]** 2011, of which not less than **[\$14,600,000]** \$20,000,000 shall be for the Healthy Homes Initiative, pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970 that shall include research, studies, testing, and demonstration efforts, including education and outreach concerning lead-based paint poisoning and other housing-related diseases and hazards: *Provided*, That for purposes of environmental review, pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and other provisions of the law that further the purposes of such Act, a grant under the Healthy Homes Initiative, Operation Lead Elimination Action Plan (LEAP), or the Lead Technical Studies program under this heading or under prior appropriations Acts for such purposes under this heading, shall be considered to be funds for a special project for purposes of section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994: *Provided further*, That of the total amount made available under this heading, \$48,000,000 shall be made available on a

LEAD HAZARD REDUCTION—Continued

competitive basis for areas with the highest lead paint abatement needs: *Provided further*, That each recipient of funds provided under the second proviso shall make a matching contribution in an amount not less than 25 percent: *Provided further*, That the Secretary may waive the matching requirement cited in the preceding proviso on a case by case basis if the Secretary determines that such a waiver is necessary to advance the purposes of this program: *Provided further*, That each applicant shall submit a detailed plan and strategy that demonstrates adequate capacity that is acceptable to the Secretary to carry out the proposed use of funds pursuant to a notice of funding availability: *Provided further*, That amounts made available under this heading in *this or prior appropriations Acts*, and that still remain available, may be used for any purpose under this heading notwithstanding the purpose for which such amounts were appropriated *if a program competition is undersubscribed and there are other program competitions under this heading that are oversubscribed*: *Provided further*, That of the total amount made available under this heading, \$250,000 shall be allocated through the Office of Healthy Homes and Lead Hazard Control to conduct communications and outreach to potential applicants to the Lead Hazard Reduction Demonstration Grant program]. (Department of Housing and Urban Development Appropriations Act, 2009.)

Program and Financing (in millions of dollars)

Identification code 86-0174-0-1-451	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Lead abatement	75	94	103
00.02 Lead TA	7	7	7
00.03 Healthy homes	9	15	15
00.04 Lead demo	51	50	50
00.05 LEAP	9	9	
00.06 Big buy	2		
00.07 Recovery Act		100	
10.00 Total new obligations (object class 41.0)	153	275	175
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	149	140	106
22.00 New budget authority (gross)	142	240	140
22.10 Resources available from recoveries of prior year obligations ...	2	1	
23.90 Total budgetary resources available for obligation	293	381	246
23.95 Total new obligations	-153	-275	-175
24.40 Unobligated balance carried forward, end of year	140	106	71
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	145	140	140
40.01 Appropriation, Recovery Act		100	
40.36 Unobligated balance permanently reduced	-3		
43.00 Appropriation (total discretionary)	142	240	140
Change in obligated balances:			
72.40 Obligated balance, start of year	348	338	441
73.10 Total new obligations	153	275	175
73.20 Total outlays (gross)	-149	-171	-194
73.40 Adjustments in expired accounts (net)	-12		
73.45 Recoveries of prior year obligations	-2	-1	
74.40 Obligated balance, end of year	338	441	422
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	9	8	3
86.93 Outlays from discretionary balances	140	163	191
87.00 Total outlays (gross)	149	171	194
Net budget authority and outlays:			
89.00 Budget authority	142	240	140
90.00 Outlays	149	171	194

Title X of the Housing and Community Development Act of 1992 (Public Law 102-550), known as the Residential Lead-Based Paint Hazard Reduction Act, authorized the Secretary to establish the Lead-Based Paint Hazard Control Grant Program. The primary purpose of the program is to reduce the exposure of

young children to lead-based paint and other environmental hazards in their homes, including protecting them from permanent developmental problems and asthma, and exposure to pesticides and carbon monoxide.

The program is a major part of addressing the number one environmental disease impacting children, lead poisoning. The Budget includes \$116 million for HUD's Lead Hazard Control Program competitive grants, \$20 million for the Healthy Homes Initiative, and \$4 million for Technical Studies. The Budget includes a provision that would allow the transfer of unobligated balances and recaptured funds from undersubscribed competitive programs to other competitive programs experiencing oversubscription. HUD will be requesting authorizing language granting the Secretary authority to carry out investigations, administer oaths, and subpoena documents related to lead hazard investigations.

The Lead Hazard Control Grant Program provides grants of \$1 million to \$4 million to State and local governments and Indian tribes for control of lead-based paint hazards in low-income rental and owner-occupied housing. The grants are also designed to stimulate the development of a housing maintenance and rehabilitation workforce trained in lead-safe work practices and a certified hazard evaluation and control industry. In awarding grants, HUD promotes the use of new, low-cost approaches to hazard control that can be replicated across the nation. Newly-established programmatic efficiency measures, such as mitigation cost estimates, will help HUD determine best practices and maximize resources.

The Healthy Homes Initiative will enable the Department to assess and control housing-related hazards that contribute to childhood diseases and injuries. The initiative will demonstrate and evaluate methods for controlling two or more housing-related diseases through a single intervention. A public education/outreach effort designed to enable the public to prevent children's exposure to hazards will also be conducted through a competitive grant process.

The Office of Healthy Homes and Lead Hazard Control will continue its Technical Support program, which will include public education; support for State and local agencies, private property owners, HUD programs and field offices and professional organizations; technical studies to improve program policy and implementation; quality control to ensure that the evaluation and control of lead-based paint hazards is done properly in HUD-assisted housing; and development of standards, technical guidance, regulations and improved testing and hazard control methods.

MANAGEMENT AND ADMINISTRATION

Federal Funds

ADMINISTRATION, OPERATIONS AND MANAGEMENT

For necessary salaries and expenses for administration, operations and management for the Department of Housing and Urban Development, [\$527,433,640] \$537,897,000, of which not to exceed [\$75,510,000] \$76,958,000 shall be available for the personnel compensation and benefits of the Office of Administration; not to exceed [\$11,003,940] \$11,277,000 shall be available for the personnel compensation and benefits of the Office of Departmental Operations and Coordination; not to exceed [\$48,817,430] \$51,275,000 shall be available for the personnel compensation and benefits of the Office of Field Policy and Management; not to exceed [\$13,438,200] \$14,649,000 shall be available for the personnel compensation and benefits of the Office of the Chief Procurement Officer; not to exceed [\$34,028,820] \$35,197,000 shall be available for the personnel compensation and benefits of the [remaining staff in the] Office of the Chief Financial Officer; not to exceed [\$84,837,460] \$89,062,000

shall be available for the personnel compensation and benefits of the [remaining staff in the] Office of the General Counsel; not to exceed [\$3,085,120] \$3,296,000 shall be available for the personnel compensation and benefits of the Office of Departmental Equal Employment Opportunity; not to exceed [\$1,215,280] \$1,393,000 shall be available for the personnel compensation and benefits for the Center for Faith-Based and Community Initiatives; not to exceed \$2,400,000 shall be available for the personnel compensation and benefits for the Office of Sustainability; not to exceed \$2,520,000 shall be available for the personnel compensation and benefits for the Office of Transformation Planning and Management; and not to exceed [\$255,497,390] \$249,870,000 shall be available for non-personnel expenses of the Department of Housing and Urban Development: *Provided*, That, funds provided under this heading may be used for necessary administrative and non-administrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including purchase of uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901-5902; hire of passenger motor vehicles; services as authorized by 5 U.S.C. 3109: *Provided further*, That notwithstanding any other provision of law, funds appropriated under this heading may be used for advertising and promotional activities that support the housing mission area: *Provided further*, That the Secretary of Housing and Urban Development is authorized to transfer funds appropriated for any office included in Administration, Operations and Management to any other office included in Administration, Operations and Management only after such transfer has been submitted to, and received prior written approval by, the House and Senate Committees on Appropriations: *Provided further*, That no appropriation for any office shall be increased or decreased by more than 10 percent by all such transfers]. (*Department of Housing and Urban Development Appropriations Act, 2009.*)

Program and Financing (in millions of dollars)

Identification code 86-0335-0-1-999	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Personnel costs	195	206	221
00.02 Benefits	61	66	67
00.03 Non-personnel costs	234	255	250
10.00 Total new obligations	490	527	538
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	491	527	538
23.95 Total new obligations	-490	-527	-538
23.98 Unobligated balance expiring or withdrawn	-1		
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	494	527	538
41.00 Transferred to other accounts	-3		
43.00 Appropriation (total discretionary)	491	527	538
Change in obligated balances:			
72.40 Obligated balance, start of year		74	91
73.10 Total new obligations	490	527	538
73.20 Total outlays (gross)	-416	-510	-550
74.40 Obligated balance, end of year	74	91	79
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	416	449	459
86.93 Outlays from discretionary balances		61	91
87.00 Total outlays (gross)	416	510	550
Net budget authority and outlays:			
89.00 Budget authority	491	527	538
90.00 Outlays	416	510	550

The Administration, Operations and Management (AOM) account was created by the Consolidated Appropriations Act, 2008, which created nine new administrative expense accounts across the Department. As the largest single administrative account, AOM funds many central Departmental functions, including: the Office of Administration, the Office of the Chief Financial Officer,

the Office of the Chief Procurement Officer, the Office of Departmental Operations and Coordination, the Office of the General Counsel, the Office of Field Policy Management, the Office of Sustainability, the Office of Transformation Planning and Management, and several other offices across the Department. The AOM account also serves as the primary funding source for all non-personnel expenses, such as travel, overhead expenses (e.g., rent and utilities), contract services, and other functions. The Office of the Chief Financial Officer will provide funds control oversight and accountability by administering the central non-personnel expense funds.

Object Classification (in millions of dollars)

Identification code 86-0335-0-1-999	2008 actual	2009 est.	2010 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	189	200	208
11.3 Other than full-time permanent	3	3	3
11.5 Other personnel compensation	3	3	3
11.9 Total personnel compensation	195	206	214
12.1 Civilian personnel benefits	61	66	67
21.0 Travel and transportation of persons	16	20	21
23.1 Rental payments to GSA	100	103	106
23.3 Communications, utilities, and miscellaneous charges	24	26	27
24.0 Printing and reproduction	3	4	4
25.2 Other services	33	39	37
25.4 Operation and maintenance of facilities	42	44	48
25.7 Operation and maintenance of equipment	1	6	1
26.0 Supplies and materials	4	5	5
31.0 Equipment	5	7	7
42.0 Insurance claims and indemnities	6	1	1
99.9 Total new obligations	490	527	538

Employment Summary

Identification code 86-0335-0-1-999	2008 actual	2009 est.	2010 est.
Direct:			
1001 Civilian full-time equivalent employment	2,027	2,101	2,200

PERSONNEL COMPENSATION AND BENEFITS

PUBLIC AND INDIAN HOUSING

For necessary personnel compensation and benefits expenses of the Office of Public and Indian Housing, [\$190,390,100] \$197,074,000. (*Department of Housing and Urban Development Appropriations Act, 2009.*)

Program and Financing (in millions of dollars)

Identification code 86-0337-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Personnel costs	139	153	158
00.02 Benefits	34	37	39
10.00 Total new obligations	173	190	197
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	173	190	197
23.95 Total new obligations	-173	-190	-197
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	173	190	197
Change in obligated balances:			
72.40 Obligated balance, start of year		8	2
73.10 Total new obligations	173	190	197
73.20 Total outlays (gross)	-165	-196	-197

**PUBLIC AND INDIAN HOUSING PERSONNEL COMPENSATION AND
BENEFITS—Continued
Program and Financing —Continued**

Identification code 86-0337-0-1-604	2008 actual	2009 est.	2010 est.
74.40 Obligated balance, end of year	8	2	2
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	165	188	195
86.93 Outlays from discretionary balances		8	2
87.00 Total outlays (gross)	165	196	197
Net budget authority and outlays:			
89.00 Budget authority	173	190	197
90.00 Outlays	165	196	197

Object Classification (in millions of dollars)

Identification code 86-0337-0-1-604	2008 actual	2009 est.	2010 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	139	153	158
12.1 Civilian personnel benefits	34	37	39
99.9 Total new obligations	173	190	197

Employment Summary

Identification code 86-0337-0-1-604	2008 actual	2009 est.	2010 est.
Direct:			
1001 Civilian full-time equivalent employment	1,462	1,526	1,541

COMMUNITY PLANNING AND DEVELOPMENT

For necessary personnel compensation and benefits expenses of the Office of Community Planning and Development mission area, **[\$94,233,700] \$98,989,000.** (*Department of Housing and Urban Development Appropriations Act, 2009.*)

Program and Financing (in millions of dollars)

Identification code 86-0338-0-1-451	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Personnel costs	71	76	80
00.02 Benefits	17	18	19
10.00 Total new obligations	88	94	99
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	89	94	99
23.95 Total new obligations	-88	-94	-99
23.98 Unobligated balance expiring or withdrawn	-1		
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	90	94	99
41.00 Transferred to other accounts	-1		
43.00 Appropriation (total discretionary)	89	94	99
Change in obligated balances:			
72.40 Obligated balance, start of year		4	1
73.10 Total new obligations	88	94	99
73.20 Total outlays (gross)	-84	-97	-99
74.40 Obligated balance, end of year	4	1	1
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	84	93	98
86.93 Outlays from discretionary balances		4	1
87.00 Total outlays (gross)	84	97	99

Net budget authority and outlays:			
89.00 Budget authority	89	94	99
90.00 Outlays	84	97	99

Object Classification (in millions of dollars)

Identification code 86-0338-0-1-451	2008 actual	2009 est.	2010 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	71	76	80
12.1 Civilian personnel benefits	17	18	19
99.9 Total new obligations	88	94	99

Employment Summary

Identification code 86-0338-0-1-451	2008 actual	2009 est.	2010 est.
Direct:			
1001 Civilian full-time equivalent employment	761	782	802

HOUSING

For necessary personnel compensation and benefits expenses of the Office of Housing, **[\$363,198,000] \$374,887,000.** (*Department of Housing and Urban Development Appropriations Act, 2009.*)

Program and Financing (in millions of dollars)

Identification code 86-0334-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Personnel costs	268	293	304
00.02 Benefits	64	70	71
10.00 Total new obligations	332	363	375
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	333	363	375
23.95 Total new obligations	-332	-363	-375
23.98 Unobligated balance expiring or withdrawn	-1		
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	334	363	375
41.00 Transferred to other accounts	-3		
43.00 Appropriation (total discretionary)	331	363	375
58.00 Spending authority from offsetting collections: Offsetting collections (cash)	2		
70.00 Total new budget authority (gross)	333	363	375
Change in obligated balances:			
72.40 Obligated balance, start of year		17	4
73.10 Total new obligations	332	363	375
73.20 Total outlays (gross)	-315	-376	-375
74.40 Obligated balance, end of year	17	4	4
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	315	359	371
86.93 Outlays from discretionary balances		17	4
87.00 Total outlays (gross)	315	376	375
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-2		
Net budget authority and outlays:			
89.00 Budget authority	331	363	375
90.00 Outlays	313	376	375

Object Classification (in millions of dollars)

Identification code 86-0334-0-1-604	2008 actual	2009 est.	2010 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	266	293	304
12.1 Civilian personnel benefits	64	70	71
99.0 Direct obligations	330	363	375
99.0 Reimbursable obligations	2		
99.9 Total new obligations	332	363	375

Employment Summary

Identification code 86-0334-0-1-604	2008 actual	2009 est.	2010 est.
Direct:			
1001 Civilian full-time equivalent employment	3,002	3,181	3,204
Reimbursable:			
2001 Civilian full-time equivalent employment	22		

OFFICE OF THE GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

For necessary personnel compensation and benefits expenses of the Office of the Government National Mortgage Association, **[\$10,000,000]** **\$11,095,000**, to be derived from the GNMA guarantees of mortgage backed securities guaranteed loan receipt account. (Department of Housing and Urban Development Appropriations Act, 2009.)

Program and Financing (in millions of dollars)

Identification code 86-0336-0-1-371	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Personnel costs	7	9	10
00.02 Benefits	1	1	1
10.00 Total new obligations	8	10	11
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	8	10	11
23.95 Total new obligations	-8	-10	-11

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	8		
40.20 Appropriation (special fund)		10	11
43.00 Appropriation (total discretionary)	8	10	11

Change in obligated balances:

73.10 Total new obligations	8	10	11
73.20 Total outlays (gross)	-8	-10	-11
74.40 Obligated balance, end of year			

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	8	10	11
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Net budget authority and outlays:

89.00 Budget authority	8	10	11
90.00 Outlays	8	10	11

Object Classification (in millions of dollars)

Identification code 86-0336-0-1-371	2008 actual	2009 est.	2010 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	7	9	10
12.1 Civilian personnel benefits	1	1	1
99.9 Total new obligations	8	10	11

Employment Summary

Identification code 86-0336-0-1-371	2008 actual	2009 est.	2010 est.
Direct:			

1001 Civilian full-time equivalent employment	64	72	78
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POLICY DEVELOPMENT AND RESEARCH

For necessary personnel compensation and benefits expenses of the Office of Policy Development and Research, **[\$18,070,850]** **\$21,138,000**. (Department of Housing and Urban Development Appropriations Act, 2009.)

Program and Financing (in millions of dollars)

Identification code 86-0339-0-1-451	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Personnel costs	14	15	17
00.02 Benefits	3	3	4
10.00 Total new obligations	17	18	21
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	17	18	21
23.95 Total new obligations	-17	-18	-21

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	17	18	21

Change in obligated balances:

72.40 Obligated balance, start of year		1	
73.10 Total new obligations	17	18	21
73.20 Total outlays (gross)	-16	-19	-21
74.40 Obligated balance, end of year	1		

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	16	18	21
86.93 Outlays from discretionary balances		1	
87.00 Total outlays (gross)	16	19	21

Net budget authority and outlays:

89.00 Budget authority	17	18	21
90.00 Outlays	16	19	21

Object Classification (in millions of dollars)

Identification code 86-0339-0-1-451	2008 actual	2009 est.	2010 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	14	15	17
12.1 Civilian personnel benefits	3	3	4
99.9 Total new obligations	17	18	21

Employment Summary

Identification code 86-0339-0-1-451	2008 actual	2009 est.	2010 est.
Direct:			
1001 Civilian full-time equivalent employment	128	132	151

FAIR HOUSING AND EQUAL OPPORTUNITY

For necessary personnel compensation and benefits expenses of the Office of Fair Housing and Equal Opportunity, **[\$69,020,990]** **\$71,800,000**. (Department of Housing and Urban Development Appropriations Act, 2009.)

Program and Financing (in millions of dollars)

Identification code 86-0340-0-1-751	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Personnel costs	51	56	59
00.02 Benefits	12	13	13

FAIR HOUSING AND EQUAL OPPORTUNITY PERSONNEL COMPENSATION AND BENEFITS—Continued

Program and Financing —Continued

Identification code 86-0340-0-1-751	2008 actual	2009 est.	2010 est.
10.00 Total new obligations	63	69	72
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	63	69	72
23.95 Total new obligations	-63	-69	-72
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	63	69	72
Change in obligated balances:			
72.40 Obligated balance, start of year		3	1
73.10 Total new obligations	63	69	72
73.20 Total outlays (gross)	-60	-71	-73
74.40 Obligated balance, end of year	3	1	
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	60	68	71
86.93 Outlays from discretionary balances		3	2
87.00 Total outlays (gross)	60	71	73
Net budget authority and outlays:			
89.00 Budget authority	63	69	72
90.00 Outlays	60	71	73

Object Classification (in millions of dollars)

Identification code 86-0340-0-1-751	2008 actual	2009 est.	2010 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	51	56	59
12.1 Civilian personnel benefits	12	13	13
99.9 Total new obligations	63	69	72

Employment Summary

Identification code 86-0340-0-1-751	2008 actual	2009 est.	2010 est.
Direct:			
1001 Civilian full-time equivalent employment	577	593	602

OFFICE OF HEALTHY HOMES AND LEAD HAZARD CONTROL

PERSONNEL COMPENSATION AND BENEFITS

For necessary personnel compensation and benefits expenses of the Office of Healthy Homes and Lead Hazard Control, **[\$6,727,950]** \$7,151,000. (Department of Housing and Urban Development Appropriations Act, 2009.)

Program and Financing (in millions of dollars)

Identification code 86-0341-0-1-451	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Personnel costs	5	6	6
00.02 Benefits	1	1	1
10.00 Total new obligations	6	7	7
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	6	7	7
23.95 Total new obligations	-6	-7	-7
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			

40.00 Appropriation	7	7	7
41.00 Transferred to other accounts	-1		
43.00 Appropriation (total discretionary)	6	7	7
Change in obligated balances:			
73.10 Total new obligations	6	7	7
73.20 Total outlays (gross)	-6	-7	-7
74.40 Obligated balance, end of year			
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	6	7	7
Net budget authority and outlays:			
89.00 Budget authority	6	7	7
90.00 Outlays	6	7	7

Object Classification (in millions of dollars)

Identification code 86-0341-0-1-451	2008 actual	2009 est.	2010 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	5	6	6
12.1 Civilian personnel benefits	1	1	1
99.9 Total new obligations	6	7	7

Employment Summary

Identification code 86-0341-0-1-451	2008 actual	2009 est.	2010 est.
Direct:			
1001 Civilian full-time equivalent employment	54	50	50

EXECUTIVE DIRECTION

For necessary salaries and expenses for Executive Direction, **[\$23,799,456]** \$25,969,000, of which not to exceed **[\$3,885,581]** \$4,619,000 shall be available for the immediate Office of the Secretary and Deputy Secretary; not to exceed **[\$1,613,898]** \$1,703,000 shall be available for the Office of Hearings and Appeals; not to exceed **[\$544,552]** \$778,000 shall be available for the Office of Small and Disadvantaged Business Utilization; not to exceed **[\$720,343]** \$727,000 shall be available for the immediate Office of the Chief Financial Officer; not to exceed **[\$1,516,800]** \$1,474,000 shall be available for the immediate Office of the General Counsel; not to exceed **[\$2,715,488]** \$2,912,000 shall be available to the Office of the Assistant Secretary for Congressional and Intergovernmental Relations; not to exceed **[\$2,586,721]** \$3,110,000 shall be available for the Office of the Assistant Secretary for Public Affairs; not to exceed **[\$1,005,120]** \$1,218,000 shall be available for the Office of the Assistant Secretary for Administration; not to exceed **[\$1,602,655]** \$2,125,000 shall be available to the Office of the Assistant Secretary for Public and Indian Housing; not to exceed **[\$1,707,499]** \$1,781,000 shall be available to the Office of the Assistant Secretary for Community Planning and Development; not to exceed **[\$3,778,560]** \$3,497,000 shall be available to the Office of the Assistant Secretary for Housing, Federal Housing Commissioner; not to exceed **[\$1,431,212]** \$1,097,000 shall be available to the Office of the Assistant Secretary for Policy Development and Research; and not to exceed **[\$691,027]** \$928,000 shall be available to the Office of the Assistant Secretary for Fair Housing and Equal Opportunity: *Provided*, [That the Secretary of the Department of Housing and Urban Development is authorized to transfer funds appropriated for any office funded under this heading to any other office funded under this heading following the written notification to the House and Senate Committees on Appropriations: *Provided further*, That no appropriation for any office shall be increased or decreased by more than 5 percent by all such transfers: *Provided further*, That notice of any change in funding greater than 5 percent shall be submitted for prior approval to the House and Senate Committees on Appropriations: *Provided further*,] That the Secretary shall provide the Committees on Appropriations quarterly written notification regarding the status of pending congressional reports: *[Provided further*, That the Secretary shall provide all signed reports required by Congress electronically:]

Provided further, That not to exceed \$25,000 of the amount made available under this paragraph for the immediate Office of the Secretary shall be available for official reception and representation expenses as the Secretary may determine. (Department of Housing and Urban Development Appropriations Act, 2009.)

Program and Financing (in millions of dollars)

Identification code 86-0333-0-1-604	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Personnel costs	18	20	20
00.02 Benefits	3	3	4
00.03 Non-personnel costs	1	1	2
10.00 Total new obligations	22	24	26
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	23	24	26
23.95 Total new obligations	-22	-24	-26
23.98 Unobligated balance expiring or withdrawn	-1		
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	25	24	26
41.00 Transferred to other accounts	-2		
43.00 Appropriation (total discretionary)	23	24	26
Change in obligated balances:			
72.40 Obligated balance, start of year		2	2
73.10 Total new obligations	22	24	26
73.20 Total outlays (gross)	-20	-24	-26
74.40 Obligated balance, end of year	2	2	2
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	20	24	26
Net budget authority and outlays:			
89.00 Budget authority	23	24	26
90.00 Outlays	20	24	26

The Executive Direction account was created by the Consolidated Appropriations Act, 2008, which created nine new administrative expense accounts. The Executive Direction account funds the salaries and expenses of various high-level management offices, including the immediate offices of the Secretary, Deputy Secretary, and Assistant Secretaries across the Department.

Object Classification (in millions of dollars)

Identification code 86-0333-0-1-604	2008 actual	2009 est.	2010 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	18	20	20
12.1 Civilian personnel benefits	3	3	4
25.2 Other services	1	1	2
99.9 Total new obligations	22	24	26

Employment Summary

Identification code 86-0333-0-1-604	2008 actual	2009 est.	2010 est.
Direct:			
1001 Civilian full-time equivalent employment	152	154	156

SALARIES AND EXPENSES
Program and Financing (in millions of dollars)

Identification code 86-0143-0-1-999	2008 actual	2009 est.	2010 est.
Direct program:			
00.01 Housing, mortgage credit, regulatory and energy conservation	8		
10.00 Total new obligations	8		
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	15	11	11
22.00 New budget authority (gross)	4		
23.90 Total budgetary resources available for obligation	19	11	11
23.95 Total new obligations	-8		
24.40 Unobligated balance carried forward, end of year	11	11	11
New budget authority (gross), detail:			
Discretionary:			
41.00 Transferred to other accounts	-3		
50.00 Reappropriation	3		
58.00 Spending authority from offsetting collections: Offsetting collections (cash)	4		
70.00 Total new budget authority (gross)	4		
Change in obligated balances:			
72.40 Obligated balance, start of year	134	39	
73.10 Total new obligations	8		
73.20 Total outlays (gross)	-110	-39	-11
73.40 Adjustments in expired accounts (net)	7		
74.40 Obligated balance, end of year	39		-11
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	4		
86.93 Outlays from discretionary balances	106	39	11
87.00 Total outlays (gross)	110	39	11
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-4		
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	106	39	11

Beginning with the passage of the Consolidated Appropriations Act, 2008, this account will no longer receive new appropriations. Instead, salary and expense activities are now spread across many accounts, achieving greater transparency and accountability within the Department. Resources remaining in this account reflect prior-year appropriations and otherwise unexpended amounts.

Formerly, this appropriation financed virtually all salaries, benefits, travel, contract expenses, and related administrative costs associated with administering the programs of the Department of Housing and Urban Development.

Object Classification (in millions of dollars)

Identification code 86-0143-0-1-999	2008 actual	2009 est.	2010 est.
Direct obligations:			
21.0 Travel and transportation of persons	1		
25.2 Other services	3		
99.0 Direct obligations	4		
99.0 Reimbursable obligations	4		
99.9 Total new obligations	8		

OFFICE OF INSPECTOR GENERAL

For necessary salaries and expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, \$120,000,000 [*Provided*, That the Inspector General shall have independent authority over all personnel issues within this office]. (*Department of Housing and Urban Development Appropriations Act, 2009.*)

Program and Financing (in millions of dollars)

Identification code 86-0189-0-1-451	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Direct program	112	120	119
00.02 Gulf state recovery program	3		1
00.03 Recovery Act		15	
10.00 Total new obligations	115	135	120
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	10	6	6
22.00 New budget authority (gross)	112	135	120
23.90 Total budgetary resources available for obligation	122	141	126
23.95 Total new obligations	-115	-135	-120
23.98 Unobligated balance expiring or withdrawn	-1		
24.40 Unobligated balance carried forward, end of year	6	6	6
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	112	120	120
40.01 Appropriation, Recovery Act		15	
43.00 Appropriation (total discretionary)	112	135	120
Change in obligated balances:			
72.40 Obligated balance, start of year	14	24	22
73.10 Total new obligations	115	135	120
73.20 Total outlays (gross)	-104	-137	-125
73.40 Adjustments in expired accounts (net)	-1		
74.40 Obligated balance, end of year	24	22	17
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	94	112	110
86.93 Outlays from discretionary balances	10	25	15
87.00 Total outlays (gross)	104	137	125
Net budget authority and outlays:			
89.00 Budget authority	112	135	120
90.00 Outlays	104	137	125

This appropriation provides agency wide audit and investigative functions to identify and correct management and administrative deficiencies that create conditions for existing or potential instances of fraud, waste and mismanagement. The audit function provides internal audit and contract audit. Internal audits review and evaluate all facets of agency operations. The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations. The Budget proposes \$120 million to maintain the existing staff level.

Object Classification (in millions of dollars)

Identification code 86-0189-0-1-451	2008 actual	2009 est.	2010 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	60	77	66
11.5 Other personnel compensation	5	7	5
11.9 Total personnel compensation	65	84	71
12.1 Civilian personnel benefits	20	22	22
21.0 Travel and transportation of persons	5	6	5
23.1 Rental payments to GSA	6	7	7
25.2 Other services	17	15	14
26.0 Supplies and materials	1	1	1
42.0 Insurance claims and indemnities	1		

99.9	Total new obligations	115	135	120
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Employment Summary

Identification code 86-0189-0-1-451	2008 actual	2009 est.	2010 est.	
Direct:				
1001	Civilian full-time equivalent employment	640	650	650

OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

Special and Trust Fund Receipts (in millions of dollars)

Identification code 86-5272-0-2-371	2008 actual	2009 est.	2010 est.
01.00	Balance, start of year		
01.99	Balance, start of year		
Receipts:			
02.60	Office of Federal Housing Enterprise Oversight	66	
02.99	Total receipts and collections	66	
04.00	Total: Balances and collections	66	
Appropriations:			
05.00	Office of Federal Housing Enterprise Oversight	-66	
05.99	Total appropriations	-66	
07.99	Balance, end of year		

Program and Financing (in millions of dollars)

Identification code 86-5272-0-2-371	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01	Direct program	59	
10.00	Total new obligations	59	
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year		4
22.00	New budget authority (gross)	60	
22.10	Resources available from recoveries of prior year obligations ...	3	
23.90	Total budgetary resources available for obligation	63	4
23.95	Total new obligations	-59	
24.40	Unobligated balance carried forward, end of year	4	4
New budget authority (gross), detail:			
Discretionary:			
40.20	Appropriation (special fund)	66	
41.00	Transferred to other accounts	-6	
43.00	Appropriation (total discretionary)	60	
Change in obligated balances:			
72.40	Obligated balance, start of year	25	12
73.10	Total new obligations	59	
73.20	Total outlays (gross)	-69	
73.45	Recoveries of prior year obligations	-3	
74.40	Obligated balance, end of year	12	12
Outlays (gross), detail:			
86.90	Outlays from new discretionary authority	53	
86.93	Outlays from discretionary balances	16	
87.00	Total outlays (gross)	69	
Net budget authority and outlays:			
89.00	Budget authority	60	
90.00	Outlays	69	

The Office of Federal Housing Enterprise Oversight (OFHEO) was authorized in the Federal Housing Enterprise Safety and Soundness Act of 1992. OFHEO was established in 1992 to regulate the financial safety and soundness of two housing Government-sponsored enterprises (GSEs) Fannie Mae and Freddie Mac. As required by the Housing and Economic Recovery Act

(Pub. L. 110-289) of 2008, OFHEO will be abolished on July 29, 2009. The Federal Housing Finance Agency (FHFA) will effectively absorb all remaining resources prior to its termination date.

Object Classification (in millions of dollars)

Identification code 86-5272-0-2-371	2008 actual	2009 est.	2010 est.
Direct obligations:			
11.1 Personnel compensation: Personnel Compensation	34		
12.1 Civilian personnel benefits	9		
23.2 Rental payments to others	1		
23.3 Communications, utilities, and miscellaneous charges	1		
25.2 Other services	10		
31.0 Equipment	4		
99.9 Total new obligations	59		

Employment Summary

Identification code 86-5272-0-2-371	2008 actual	2009 est.	2010 est.
Direct:			
1001 Civilian full-time equivalent employment	251		

WORKING CAPITAL FUND

For additional capital for the Working Capital Fund (42 U.S.C. 3535) for the [development of, modifications to, and] maintenance of infrastructure for Department-wide information technology systems, for the continuing operation and maintenance of both Department-wide and program-specific information systems, and for program-related [development] maintenance activities, [\$224,000,000] \$200,000,000, to remain available until September 30, [2010, of which not less than \$4,000,000 shall be used for planning for modernizing, improving and maintaining information technology applications and infrastructure supporting the FHA] 2011: Provided, That any amounts transferred to this Fund under this Act shall remain available until expended: Provided further, That any amounts transferred to this Fund from amounts appropriated by previously enacted appropriations Acts or from within this Act may be used only for the purposes specified under this Fund, in addition to the purposes for which such amounts were appropriated: Provided further, That up to \$15,000,000 may be transferred to this account from all other accounts in this title (except for the Office of the Inspector General account) that make funds available for salaries and expenses. (Department of Housing and Urban Development Appropriations Act, 2009.)

Program and Financing (in millions of dollars)

Identification code 86-4586-0-4-451	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.01 Information Technology	232	307	300
09.01 Reimbursable program	21		
10.00 Total new obligations	253	307	300
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	34	54	84
22.00 New budget authority (gross)	268	329	271
22.10 Resources available from recoveries of prior year obligations	5	8	8
23.90 Total budgetary resources available for obligation	307	391	363
23.95 Total new obligations	-253	-307	-300
24.40 Unobligated balance carried forward, end of year	54	84	63

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	155	224	200
42.00 Transferred from other accounts	92	105	71
43.00 Appropriation (total discretionary)	247	329	271
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	20		
58.10 Change in uncollected customer payments from Federal sources (unexpired)	1		

58.90 Spending authority from offsetting collections (total discretionary)	21		
70.00 Total new budget authority (gross)	268	329	271

Change in obligated balances:

72.40 Obligated balance, start of year	180	179	56
73.10 Total new obligations	253	307	300
73.20 Total outlays (gross)	-248	-422	-287
73.45 Recoveries of prior year obligations	-5	-8	-8
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-1		
74.40 Obligated balance, end of year	179	56	61

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	113	247	203
86.93 Outlays from discretionary balances	135	175	84
87.00 Total outlays (gross)	248	422	287

Offsets:

Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-20		
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-1		

Net budget authority and outlays:

89.00 Budget authority	247	329	271
90.00 Outlays	228	422	287

The Working Capital Fund (WCF), authorized by the Department of Housing and Urban Development Act of 1965, finances the information technology business functions of the Department. The WCF provides funding for the operation and maintenance of IT systems in support of FHA Mortgage Insurance, housing assistance, grants programs, disaster relief, and core financial and general operations. The Budget requests a direct appropriation of \$200 million for IT business operations, infrastructure, and 290 personnel. An additional \$70.8 million in program transfers will augment the direct appropriations to support necessary systems that benefit specific programs. The Department proposes to fund the development and modernization of its IT systems from the Transformation Initiative account.

Object Classification (in millions of dollars)

Identification code 86-4586-0-4-451	2008 actual	2009 est.	2010 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	29	31	35
12.1 Civilian personnel benefits	7	7	10
25.2 Other services	62	141	109
25.7 Operation and maintenance of equipment	134	128	146
99.0 Direct obligations	232	307	300
25.7 Reimbursable obligations: Operation and maintenance of equipment	21		
99.9 Total new obligations	253	307	300

Employment Summary

Identification code 86-4586-0-4-451	2008 actual	2009 est.	2010 est.
Direct:			
1001 Civilian full-time equivalent employment	273	285	290

TRANSFORMATION INITIATIVE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for combating mortgage fraud, \$20,000,000, to remain available until expended.

In addition, of the amounts made available in this Act under each of the following headings under this title, the Secretary may transfer to, and merge with, this account up to 1 percent from each such account, and such

TRANSFORMATION INITIATIVE—Continued

transferred amounts shall be available until September 30, 2015, for (1) research, evaluation, and program metrics; (2) program demonstrations; (3) technical assistance and capacity building; and (4) information technology: "Tenant-Based Rental Assistance," "Public Housing Capital Fund," "Public Housing Operating Fund," "Choice Neighborhoods Initiative," "Energy Innovation Fund," "Native American Housing Block Grants," "Native Hawaiian Housing Block Grants," "Indian Housing Loan Guarantee Fund Program Account," "Housing Opportunities for Persons With AIDS," "Community Development Fund," "HOME Investment Partnerships Program," "Self-Help and Assisted Homeownership Opportunity Program," "Homeless Assistance Grants," "Project-Based Rental Assistance," "Housing for the Elderly," "Housing for the Elderly Contract Renewals and Amendments," "Housing for Persons With Disabilities," "Housing for Persons With Disabilities Contract Renewals and Amendments," "Housing Counseling Assistance," "Payment to Manufactured Housing Fees Trust Fund," "Mutual Mortgage Insurance Program Account," "General and Special Risk Program Account," "Research and Technology," "Lead Hazard Reduction," "Rental Housing Assistance," and "Fair Housing Activities": Provided, That the Secretary shall fund each of the four general purposes specified above at not less than 10 percent, and not more than 50 percent, of the aggregate transferred amount.

Program and Financing (in millions of dollars)

Identification code 86-0402-0-1-451	2008 actual	2009 est.	2010 est.
Obligations by program activity:			
00.02 Combat Mortgage Fraud			20
10.00 Total new obligations (object class 41.0)			20
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			20
23.95 Total new obligations			-20
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			20
Change in obligated balances:			
73.10 Total new obligations			20
73.20 Total outlays (gross)			-10
74.40 Obligated balance, end of year			10
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			10
Net budget authority and outlays:			
89.00 Budget authority			20
90.00 Outlays			10

The 2010 Budget provides \$20 million in the Transformation Initiative account for the Presidential Initiative to combat mortgage fraud. This is part of an agency-wide effort that draws upon a number of programs, resources and accounts. Examples of Transformation Initiative activities that may be implemented include: development of anti-fraud IT data tools that would be applied to all phases of the mortgage insurance process to detect misrepresentation at consumer, application, and property levels; technical assistance to support housing counseling organizations with identifying mortgage fraud and addressing fair lending issues and to help implement the SAFE Act and Real Estate Settlement Procedures Act; research and assessment of the implementation of the Neighborhood Stabilization Program to ensure it addresses the needs of minority and low-income communities, and analysis of loans, assessments of service compliance with FHA loss mitigation guidelines.

The Department of Housing and Urban Development faces serious challenges arising from structural constraints, while the scope of housing and urban development problems facing the

nation has never been greater. HUD needs flexibility both to become more innovative and to adopt an evidence-based approach to improving program operations. The flexibility of aggregating limited transfers will enable HUD to undertake an integrated and balanced effort to improve program performance.

Within the broader Transformation Initiative, there are four initiatives that provide a systematic and crosscutting approach to transformation.

The Research, Evaluation and Program Metrics Initiative provides a predictable stream of funding for high quality research and evaluation that will inform sound policymaking. Funds will be allocated to the Research and Technology account to enable HUD to engage in continual rigorous program evaluation. The initiative will supplement Research and Technology appropriations that are mainly dedicated to funding housing data, such as the American Housing Survey. This initiative redresses the chronic underfunding for program evaluation and research that is needed to ensure that program funds are spent effectively, as well as to develop appropriate metrics to track program performance between evaluations. The systemic and scientific approach enabled by the Research initiative would highlight those programs that are effective and those that require reform, so that timely modifications can occur.

The Program Demonstrations Initiative will enable HUD to design and execute a series of major research demonstrations that rigorously test new program innovations. Demonstrations can be used to explore fundamental questions about housing market dynamics and their impact on economic, social and environmental objectives. The demonstrations will improve programs and help state and local governments develop more effective strategies for housing and community and economic development, and to improve the delivery and reduce the cost of public services. Transformation Initiative funds for approved demonstrations would then be administered by the Office of Policy Development and Research.

The Technology Initiative will provide funding to develop information technology to support the Transformation Initiative and modernize programs. In recent years, insufficient funding has forced the Department to rely on outdated systems and has prevented the Department from utilizing modern tools to capture, store, analyze and disseminate information. Funds provided through the Technology Initiative will complement the funding for basic, steady-state maintenance and operations funded by the Working Capital Fund. HUD envisions three key areas of technology transformation: 1) the collection, quality control and storage of data to provide timely and high quality data for informed policy making and to reduce inefficiencies spent on manual processes; 2) the use of data for improved analysis, monitoring, management and accountability to transform HUD into a data-driven agency; and 3) the communication, sharing and leveraging of data to improve the dissemination of analytic and social networking tools to internal and external stakeholders. Further, HUD plans to enhance these electronic systems to support business operations, human capital, organizational culture, and management.

Technical Assistance set-asides are not requested in individual HUD program accounts as these amounts have been consolidated within the Transformation Initiative. Traditionally, HUD has delivered program-oriented technical assistance to ensure that HUD grantees are fully aware of the rules governing the disparate programs. While awareness of rules is necessary, effective responses to urban and housing challenges increasingly require coordination and awareness of diverse areas of knowledge: housing finance as well as land use, energy efficiency as well as

healthy homes, community development as well as transportation planning, and accessibility as well as job creation. The Technical Assistance and Capacity Building Initiative will enable HUD to develop enhanced and focused support to deliver cross-program technical assistance for states, local governments, and other HUD grantees for more sophisticated program administration and integrated planning across programs and jurisdictions. HUD plans to provide well-packaged information, case studies that serve as models and illustrate choices, and collaboration opportunities. Integrating cross-cutting knowledge with program requirements will produce results while avoiding fraud, waste and abuse.

The following table illustrates the *maximum* possible transfers into the Transformation Initiative account. It does not represent actual transfers.

Program Name (amounts in thousands)	Treasury Account	Maximum Transfer
Choice Neighborhoods	86-0349	2,500
Combat Mortgage Fraud ¹	86-0402	200
Community Development Block Grant	86-0162	44,500
Energy Innovation Fund	86-0401	1,000
Fair Housing and Equal Opportunity	86-0144	720
FHA MMI/CHMI Fund	86-0183	1,181
Healthy Homes and Lead Hazard Control	86-0174	1,400
HOME Investment Partnerships Program	86-0205	18,250
Homeless Assistance Grants	86-0192	17,937
Housing Counseling	86-0156	1,000
Housing for Persons with Disabilities	86-0237	1,140
Housing for Persons with Disabilities - Contract Renewals and Amendments	86-0403	1,360
Housing for the Elderly	86-0320	5,220
Housing for the Elderly - Contract Renewals and Amendments	86-0404	2,430
Housing Opportunities for Persons with Aids	86-0308	3,100
Indian Housing Loan Guarantee	86-4104	8
Manufactured Housing	86-8119	160
Native American Housing Block Grants	86-0313	6,430
Native Hawaiian Housing Block Grants	86-0235	100
Project-Based Rental Assistance	86-0303	77,000
Public Housing Capital Fund	86-0304	22,440
Public Housing Operating Fund	86-0163	46,000
Rental Assistance Program (Section 236)	86-4041	400
Self-Help Homeownership Opportunity Program	86-0176	770
Tenant-Based Rental Assistance	86-0302	178,360
Maximum Transfer Total		441,606

¹Within the same account as the Transformation Initiative

GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

	2008 actual	2009 est.	2010 est.
Offsetting receipts from the public:			
86-143500 General Fund Proprietary Interest Receipts, not Otherwise Classified	1	2	2
86-271910 FHA-general and Special Risk, Negative Subsidies	614	134	180
86-271930 FHA-general and Special Risk, Downward Reestimates of Subsidies	897	19	
86-274330 Indian Housing Loan Guarantees, Downward Reestimates of Subsidies	6	8	
86-276230 Title VI Indian Loan Guarantee Downward Reestimate	3	3	
86-277330 Community Development Loan Guarantees, Downward Reestimates	3	7	
86-322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts	17	18	18
General Fund Offsetting receipts from the public.....	1,541	191	200
Intragovernmental payments:			
86-388510 Undistributed Intragovernmental Payments		7	7
General Fund Intragovernmental payments		7	7

GENERAL PROVISIONS—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

(INCLUDING [RESCISSION] CANCELLATION OF FUNDS)

SEC. 201. Fifty percent of the amounts of budget authority, or in lieu thereof 50 percent of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 1437 note) shall be [rescinded] *cancelled* or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not [rescinded] *cancelled* or remitted to the Treasury shall be used by State housing finance agencies or local governments or local housing agencies with projects approved by the Secretary of Housing and Urban Development for which settlement occurred after January 1, 1992, in accordance with such section. Notwithstanding the previous sentence, the Secretary may award up to 15 percent of the budget authority or cash recaptured and not [rescinded] *cancelled* or remitted to the Treasury to provide project owners with incentives to refinance their project at a lower interest rate.

SEC. 202. None of the amounts made available under this Act may be used during fiscal year [2009] 2010 to investigate or prosecute under the Fair Housing Act any otherwise lawful activity engaged in by one or more persons, including the filing or maintaining of a non-frivolous legal action, that is engaged in solely for the purpose of achieving or preventing action by a Government official or entity, or a court of competent jurisdiction.

SEC. 203. (a) Notwithstanding section 854(c)(1)(A) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)(1)(A)), from any amounts made available under this title for fiscal year [2009] 2010 that are allocated under such section, the Secretary of Housing and Urban Development shall allocate and make a grant, in the amount determined under subsection (b), for any State that—

(1) received an allocation in a prior fiscal year under clause (ii) of such section; and

(2) is not otherwise eligible for an allocation for fiscal year [2009] 2010 under such clause (ii) because the areas in the State outside of the metropolitan statistical areas that qualify under clause (i) in fiscal year [2009] 2010 do not have the number of cases of acquired immunodeficiency syndrome (AIDS) required under such clause.

(b) The amount of the allocation and grant for any State described in subsection (a) shall be an amount based on the cumulative number of AIDS cases in the areas of that State that are outside of metropolitan statistical areas that qualify under clause (i) of such section 854(c)(1)(A) in fiscal year [2009] 2010, in proportion to AIDS cases among cities and States that qualify under clauses (i) and (ii) of such section and States deemed eligible under subsection (a).

(c) Notwithstanding any other provision of law, the amount allocated for fiscal year [2009] 2010 under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)), to the City of New York, New York, on behalf of the New York-Wayne-White Plains, New York-New Jersey Metropolitan Division (hereafter "metropolitan division") of the New York-Newark-Edison, NY-NJ-PA Metropolitan Statistical Area, shall be adjusted by the Secretary of Housing and Urban Development by: (1) allocating to the City of Jersey City, New Jersey, the proportion of the metropolitan area's or division's amount that is based on the number of cases of AIDS reported in the portion of the metropolitan area or division that is located in Hudson County, New Jersey, and adjusting for the proportion of the metropolitan division's high incidence bonus if this area in New Jersey also has a higher than average per capita incidence of AIDS; and (2) allocating to the City of Paterson, New Jersey, the proportion of the metropolitan area's or division's amount that is based on the number of cases of AIDS reported in the portion of the metropolitan area or division that is located in Bergen County and Passaic County, New Jersey, and adjusting for the proportion of the metropolitan division's high incidence bonus if this area in New Jersey also has a higher than average per capita incidence of AIDS. The recipient cities shall use amounts allocated under this subsection to carry out eligible activities under section 855 of the AIDS Housing Opportunity Act (42 U.S.C. 12904) in their respective portions of the metropolitan division that is located in New Jersey.

(d) Notwithstanding any other provision of law, the amount allocated for fiscal year [2009] 2010 under section 854(c) of the AIDS Housing

Opportunity Act (42 U.S.C. 12903(c)) to areas with a higher than average per capita incidence of AIDS, shall be adjusted by the Secretary on the basis of area incidence reported over a 3 year period.

SEC. 204. Except as explicitly provided in law, any grant, cooperative agreement or other assistance made pursuant to title II of this Act shall be made on a competitive basis and in accordance with section 102 of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545).

【SEC. 205. Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Federal Reserve banks or any member thereof, Federal Home Loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811—1).】

【SEC. 206. Unless otherwise provided for in this Act or through a reprogramming of funds, no part of any appropriation for the Department of Housing and Urban Development shall be available for any program, project or activity in excess of amounts set forth in the budget estimates submitted to Congress.】

SEC. 【207】205. Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of such Act as may be necessary in carrying out the programs set forth in the budget for 【2009】 2010 for such corporation or agency except as hereinafter provided: *Provided*, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

【SEC. 208. None of the funds provided in this title for technical assistance, training, or management improvements may be obligated or expended unless the Secretary of Housing and Urban Development provides to the Committees on Appropriations a description of each proposed activity and a detailed budget estimate of the costs associated with each program, project or activity as part of the Budget Justifications. For fiscal year 2009, the Secretary shall transmit this information to the Committees by March 15, 2009 for 30 days of review.】

【SEC. 209. The Secretary of Housing and Urban Development shall provide quarterly reports to the House and Senate Committees on Appropriations regarding all uncommitted, unobligated, recaptured and excess funds in each program and activity within the jurisdiction of the Department and shall submit additional, updated budget information to these Committees upon request.】

SEC. 【210】206. (a) Notwithstanding any other provision of law, the amount allocated for fiscal year 【2009】 2010 under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)), to the City of Wilmington, Delaware, on behalf of the Wilmington, Delaware-Maryland-New Jersey Metropolitan Division (hereafter "metropolitan division"), shall be adjusted by the Secretary of Housing and Urban Development by allocating to the State of New Jersey the proportion of the metropolitan division's amount that is based on the number of cases of AIDS reported in the portion of the metropolitan division that is located in New Jersey, and adjusting for the proportion of the metropolitan division's high incidence bonus if this area in New Jersey also has a higher than average per capita incidence of AIDS. The State of New Jersey shall use amounts allocated to the State under this subsection to carry out eligible activities under section 855 of the AIDS Housing Opportunity Act (42 U.S.C. 12904) in the portion of the metropolitan division that is located in New Jersey.

(b) Notwithstanding any other provision of law, the Secretary of Housing and Urban Development shall allocate to Wake County, North Carolina, the amounts that otherwise would be allocated for fiscal year

【2009】 2010 under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)) to the City of Raleigh, North Carolina, on behalf of the Raleigh-Cary, North Carolina Metropolitan Statistical Area. Any amounts allocated to Wake County shall be used to carry out eligible activities under section 855 of such Act (42 U.S.C. 12904) within such metropolitan statistical area.

(c) Notwithstanding section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)), the Secretary of Housing and Urban Development may adjust the allocation of the amounts that otherwise would be allocated for fiscal year 【2009】 2010 under section 854(c) of such Act, upon the written request of an applicant, in conjunction with the State(s), for a formula allocation on behalf of a metropolitan statistical area, to designate the State or States in which the metropolitan statistical area is located as the eligible grantee(s) of the allocation. In the case that a metropolitan statistical area involves more than one State, such amounts allocated to each State shall be in proportion to the number of cases of AIDS reported in the portion of the metropolitan statistical area located in that State. Any amounts allocated to a State under this section shall be used to carry out eligible activities within the portion of the metropolitan statistical area located in that State.

【SEC. 211. The President's formal budget request for fiscal year 2010, as well as the Department of Housing and Urban Development's congressional budget justifications to be submitted to the Committees on Appropriations of the House of Representatives and the Senate, shall use the identical account and sub-account structure provided under this Act.】

SEC. 【212】207. A public housing agency or such other entity that administers Federal housing assistance for the Housing Authority of the county of Los Angeles, California, the States of Alaska, Iowa, and Mississippi shall not be required to include a resident of public housing or a recipient of assistance provided under section 8 of the United States Housing Act of 1937 on the board of directors or a similar governing board of such agency or entity as required under section (2)(b) of such Act. Each public housing agency or other entity that administers Federal housing assistance under section 8 for the Housing Authority of the county of Los Angeles, California and the States of Alaska, Iowa and Mississippi that chooses not to include a resident of Public Housing or a recipient of section 8 assistance on the board of directors or a similar governing board shall establish an advisory board of not less than six residents of public housing or recipients of section 8 assistance to provide advice and comment to the public housing agency or other administering entity on issues related to public housing and section 8. Such advisory board shall meet not less than quarterly.

【SEC. 213. (a) Notwithstanding any other provision of law, subject to the conditions listed in subsection (b), for fiscal years 2008 and 2009, the Secretary of Housing and Urban Development may authorize the transfer of some or all project-based assistance, debt and statutorily required low-income and very low-income use restrictions, associated with one or more multifamily housing project to another multifamily housing project or projects.

(b) The transfer authorized in subsection (a) is subject to the following conditions:

(1) The number of low-income and very low-income units and the net dollar amount of Federal assistance provided by the transferring project shall remain the same in the receiving project or projects.

(2) The transferring project shall, as determined by the Secretary, be either physically obsolete or economically non-viable.

(3) The receiving project or projects shall meet or exceed applicable physical standards established by the Secretary.

(4) The owner or mortgagor of the transferring project shall notify and consult with the tenants residing in the transferring project and provide a certification of approval by all appropriate local governmental officials.

(5) The tenants of the transferring project who remain eligible for assistance to be provided by the receiving project or projects shall not be required to vacate their units in the transferring project or projects until new units in the receiving project are available for occupancy.

(6) The Secretary determines that this transfer is in the best interest of the tenants.

(7) If either the transferring project or the receiving project or projects meets the condition specified in subsection (c)(2)(A), any lien on the receiving project resulting from additional financing obtained by the

owner shall be subordinate to any FHA-insured mortgage lien transferred to, or placed on, such project by the Secretary.

(8) If the transferring project meets the requirements of subsection (c)(2)(E), the owner or mortgagor of the receiving project or projects shall execute and record either a continuation of the existing use agreement or a new use agreement for the project where, in either case, any use restrictions in such agreement are of no lesser duration than the existing use restrictions.

(9) Any financial risk to the FHA General and Special Risk Insurance Fund, as determined by the Secretary, would be reduced as a result of a transfer completed under this section.

(10) The Secretary determines that Federal liability with regard to this project will not be increased.

(c) For purposes of this section—

(1) the terms "low-income" and "very low-income" shall have the meanings provided by the statute and/or regulations governing the program under which the project is insured or assisted;

(2) the term "multifamily housing project" means housing that meets one of the following conditions—

(A) housing that is subject to a mortgage insured under the National Housing Act;

(B) housing that has project-based assistance attached to the structure including projects undergoing mark to market debt restructuring under the Multifamily Assisted Housing Reform and Affordability Housing Act;

(C) housing that is assisted under section 202 of the Housing Act of 1959 as amended by section 801 of the Cranston-Gonzales National Affordable Housing Act;

(D) housing that is assisted under section 202 of the Housing Act of 1959, as such section existed before the enactment of the Cranston-Gonzales National Affordable Housing Act; or

(E) housing or vacant land that is subject to a use agreement;

(3) the term "project-based assistance" means—

(A) assistance provided under section 8(b) of the United States Housing Act of 1937;

(B) assistance for housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of such Act (as such section existed immediately before October 1, 1983);

(C) rent supplement payments under section 101 of the Housing and Urban Development Act of 1965;

(D) interest reduction payments under section 236 and/or additional assistance payments under section 236(f)(2) of the National Housing Act; and

(E) assistance payments made under section 202(c)(2) of the Housing Act of 1959;

(4) the term "receiving project or projects" means the multifamily housing project or projects to which some or all of the project-based assistance, debt, and statutorily required use low-income and very low-income restrictions are to be transferred;

(5) the term "transferring project" means the multifamily housing project which is transferring some or all of the project-based assistance, debt and the statutorily required low-income and very low-income use restrictions to the receiving project or projects; and

(6) the term "Secretary" means the Secretary of Housing and Urban Development.】

【SEC. 214. The funds made available for Native Alaskans under the heading "Native American Housing Block Grants" in title III of this Act shall be allocated to the same Native Alaskan housing block grant recipients that received funds in fiscal year 2005.】

【SEC. 215. No funds provided under this title may be used for an audit of the Government National Mortgage Association that makes applicable requirements under the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).】

SEC. 【216】208. (a) No assistance shall be provided under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) to any individual who—

(1) is enrolled as a student at an institution of higher education (as defined under section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002));

(2) is under 24 years of age;

(3) is not a veteran;

(4) is unmarried;

(5) does not have a dependent child;

(6) is not a person with disabilities, as such term is defined in section 3(b)(3)(E) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)(E)) and was not receiving assistance under such section 8 as of November 30, 2005; and

(7) is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible, to receive assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

(b) For purposes of determining the eligibility of a person to receive assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), any financial assistance (in excess of amounts received for tuition) that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except for a person over the age of 23 with dependent children.

SEC. 【217】209. 【Notwithstanding the limitation in the first sentence of section 255(g) of the National Housing Act (12 U.S.C. 1715z—g)), the Secretary of Housing and Urban Development may, until September 30, 2009, insure and enter into commitments to insure mortgages under section 255(g) of the National Housing Act (12 U.S.C. 1715z—20) *is amended by striking the first sentence.*】

【SEC. 218. Notwithstanding any other provision of law, in fiscal year 2009, in managing and disposing of any multifamily property that is owned or has a mortgage held by the Secretary of Housing and Urban Development, the Secretary shall maintain any rental assistance payments under section 8 of the United States Housing Act of 1937 and other programs that are attached to any dwelling units in the property. To the extent the Secretary determines, in consultation with the tenants and the local government, that such a multifamily property owned or held by the Secretary is not feasible for continued rental assistance payments under such section 8 or other programs, based on consideration of (1) the costs of rehabilitating and operating the property and all available Federal, State, and local resources, including rent adjustments under section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 ("MAHRAA") and (2) environmental conditions that cannot be remedied in a cost-effective fashion, the Secretary may, in consultation with the tenants of that property, contract for project-based rental assistance payments with an owner or owners of other existing housing properties, or provide other rental assistance. The Secretary shall also take appropriate steps to ensure that project-based contracts remain in effect prior to foreclosure, subject to the exercise of contractual abatement remedies to assist relocation of tenants for imminent major threats to health and safety. After disposition of any multifamily property described under this section, the contract and allowable rent levels on such properties shall be subject to the requirements under section 524 of MAHRAA.】

SEC. 【219】210. During fiscal year 【2009】 2010, in the provision of rental assistance under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) in connection with a program to demonstrate the economy and effectiveness of providing such assistance for use in assisted living facilities that is carried out in the counties of the State of Michigan notwithstanding paragraphs (3) and (18)(B)(iii) of such section 8(o), a family residing in an assisted living facility in any such county, on behalf of which a public housing agency provides assistance pursuant to section 8(o)(18) of such Act, may be required, at the time the family initially receives such assistance, to pay rent in an amount exceeding 40 percent of the monthly adjusted income of the family by such a percentage or amount as the Secretary of Housing and Urban Development determines to be appropriate.

【SEC. 220. The Secretary of Housing and Urban Development shall report quarterly to the House of Representatives and Senate Committees on Appropriations on HUD's use of all sole source contracts, including terms of the contracts, cost, and a substantive rationale for using a sole source contract.】

【SEC. 221. Notwithstanding any other provision of law, the recipient of a grant under section 202b of the Housing Act of 1959 (12 U.S.C. 1701q—after December 26, 2000, in accordance with the unnumbered paragraph at the end of section 202(b) of such Act, may, at its option, establish a single-asset nonprofit entity to own the project and may lend the grant funds to such entity, which may be a private nonprofit organiz-

ation described in section 831 of the American Homeownership and Economic Opportunity Act of 2000.]

SEC. 222. (a) The amounts provided under the subheading "Program Account" under the heading "Community Development Loan Guarantees" may be used to guarantee, or make commitments to guarantee, notes, or other obligations issued by any State on behalf of non-entitlement communities in the State in accordance with the requirements of section 108 of the Housing and Community Development Act of 1974: *Provided*, That, any State receiving such a guarantee or commitment shall distribute all funds subject to such guarantee to the units of general local government in non-entitlement areas that received the commitment.

(b) Not later than 60 days after the date of enactment of this Act, the Secretary of Housing and Urban Development shall promulgate regulations governing the administration of the funds described under subsection (a).]

SEC. [223]211. Section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v) is amended—

(1) in subsection (m)(1), by striking ["2003"] "2009" and inserting ["2009"] "2010"; and

(2) in subsection (o), by striking "September 30, [2007] 2009" and inserting "September 30, [2009] 2010".

SEC. 224. (a) REQUIRED SUBMISSIONS FOR FISCAL YEARS 2008 AND 2009.—

(1) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Secretary of Housing and Urban Development shall submit to the relevant authorizing committees and to the Committees on Appropriations of the Senate and the House of Representatives for fiscal years 2008 and 2009—

(A) a complete and accurate accounting of the actual project-based renewal costs for project-based assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f);

(B) revised estimates of the funding needed to fully fund all 12 months of all project-based contracts under such section 8, including project-based contracts that expire in fiscal year 2008 and fiscal year 2009; and

(C) all sources of funding that will be used to fully fund all 12 months of the project-based contracts for fiscal years 2008 and 2009.

(2) UPDATED INFORMATION.—At any time after the expiration of the 60-day period described in paragraph (1), the Secretary may submit corrections or updates to the information required under paragraph (1), if upon completion of an audit of the project-based assistance program under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), such audit reveals additional information that may provide Congress a more complete understanding of the Secretary's implementation of the project-based assistance program under such section 8.

(b) REQUIRED SUBMISSIONS FOR FISCAL YEAR 2010.—As part of the Department of Housing and Urban Development's budget request for fiscal year 2010, the Secretary of Housing and Urban Development shall submit to the relevant authorizing committees and to the Committees on Appropriations of the Senate and the House of Representatives complete and detailed information, including a project-by-project analysis, that verifies that such budget request will fully fund all project-based contracts under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) in fiscal year 2010, including expiring project-based contracts.]

SEC. 225. Public housing agencies that own and operate 400 or fewer public housing units may elect to be exempt from any asset management requirement imposed by the Secretary of Housing and Urban Development in connection with the operating fund rule: *Provided*, That an agency seeking a discontinuance of a reduction of subsidy under the operating fund formula shall not be exempt from asset management requirements.]

SEC. 226. With respect to the use of amounts provided in this Act and in future Acts for the operation, capital improvement and management of public housing as authorized by sections 9(d) and 9(e) of the United States Housing Act of 1937 (42 U.S.C. 1437g(d) and (e)), the Secretary shall not impose any requirement or guideline relating to asset management that restricts or limits in any way the use of capital funds for central office costs pursuant to section 9(g)(1) or 9(g)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437g(g)(1), (2)): *Provided*, however, that a public housing agency may not use capital funds authorized under section 9(d) for activities that are eligible under section 9(e) for assistance

with amounts from the operating fund in excess of the amounts permitted under section 9(g)(1) or 9(g)(2).]

SEC. 227. The Secretary of Housing and Urban Development shall report quarterly to the House of Representatives and Senate Committees on Appropriations on the status of all section 8 project-based housing, including the number of all project-based units by region as well as an analysis of all federally subsidized housing being refinanced under the Mark-to-Market program. The Secretary shall in the report identify all existing units maintained by region as section 8 project-based units and all project-based units that have opted out of section 8 or have otherwise been eliminated as section 8 project-based units. The Secretary shall identify in detail and by project all the efforts made by the Department to preserve all section 8 project-based housing units and all the reasons for any units which opted out or otherwise were lost as section 8 project-based units. Such analysis shall include a review of the impact of the loss of any subsidized units in that housing marketplace, such as the impact of cost and the loss of available subsidized, low-income housing in areas with scarce housing resources for low-income families.]

SEC. 228. Section 683(2) of the Housing and Community Development Act of 1992 (42 U.S.C. 13641(2)) is amended—

(1) in subparagraph (F), by striking "and";

(2) in subparagraph (G) by striking the period at the end and inserting "; and"; and

(3) by adding a new subparagraph (H) as follows:

"(H) housing that is assisted under section 811 of the Cranston-Gonzalez Affording Housing Act (42 U.S.C. 8013)."

SEC. 229. The Home Investment Partnerships Act (42 U.S.C. 12721 et seq.) is amended—

(1) in section 233(d)(1) by striking "20" and inserting "40";

(2) in section 233(e) by striking "40" and inserting "25";

(3) in section 243(b), in the second sentence, by striking "20" and inserting "40"; and

(4) in section 271(i) by striking "Act after December 31, 2007" and inserting "section after December 31, 2011".]

SEC. [230]212. No official or employee of the Department of Housing and Urban Development shall be designated as an allotment holder unless the Office of the Chief Financial Officer has determined that such allotment holder has implemented an adequate system of funds control and has received training in funds control procedures and directives. The Chief Financial Officer shall ensure that[, not later than 90 days after the date of enactment of this Act,] *there is* a trained allotment holder [shall be designated] for each HUD subaccount under the [headings "Executive Direction" and] heading "Administration, Operations, and Management" as well as each account receiving appropriations for "personnel compensation and benefits" within the Department of Housing and Urban Development.

SEC. 231. Payment of attorney fees in program-related litigation must be paid from individual program office personnel benefits and compensation funding. The annual budget submission for program office personnel benefit and compensation funding must include program-related litigation costs for attorney fees as a separate line item request.]

SEC. 232. Of the unobligated balances remaining from funds appropriated under the heading "Tenant-Based Rental Assistance" under the Department of Housing and Urban Development Appropriations Act, 2008, \$750,000,000 are rescinded from the \$4,158,000,000 which are available on October 1, 2008. Such amount shall be derived from reductions to public housing agencies' calendar year 2009 allocations based on amounts in public housing agencies' net restricted assets accounts (in accordance with VMS data in calendar year 2008 that is verifiable and complete), as determined by the Secretary.]

SEC. [233]213. The Secretary of the Department of Housing and Urban Development shall for Fiscal Year [2009] 2010 and [thereafter] *subsequent fiscal years*, notify the public through the Federal Register and other means, as determined appropriate, of the issuance of a notice of the availability of assistance or notice of funding availability (NOFA) for any program or discretionary fund administered by the Secretary that is to be competitively awarded. Notwithstanding any other provision of law, for Fiscal Year [2009] 2010 and [thereafter] *subsequent fiscal years*, the Secretary may make the NOFA available only on the Internet at the appropriate government website or websites or through other electronic media, as determined by the Secretary.

SEC. 234. PREPAYMENT AND REFINANCING.

(a) APPROVAL OF PREPAYMENT OF DEBT.—Upon request of the project sponsor of a project assisted with a loan under section 202 of the Housing Act of 1959 (as in effect before the enactment of the Cranston-Gonzalez National Affordable Housing Act), for which the Secretary's consent to prepayment is required, the Secretary shall approve the prepayment of any indebtedness to the Secretary relating to any remaining principal and interest under the loan as part of a prepayment plan under which—

(1) the project sponsor agrees to operate the project until the maturity date of the original loan under terms at least as advantageous to existing and future tenants as the terms required by the original loan agreement or any project-based rental assistance payments contract under section 8 of the United States Housing Act of 1937 (or any other project-based rental housing assistance programs of the Department of Housing and Urban Development, including the rent supplement program under section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s)) or any successor project-based rental assistance program, except as provided by subsection (a)(2)(B); and

(2) the prepayment may involve refinancing of the loan if such refinancing results —

(A) in a lower interest rate on the principal of the loan for the project and in reductions in debt service related to such loan; or

(B) in the case of a project that is assisted with a loan under such section 202 carrying an interest rate of 6 percent or lower, a transaction under which

(i) the project owner shall address the physical needs of the project;

(ii) the prepayment plan for the transaction, including the refinancing, shall meet a cost benefit analysis, as established by the Secretary, that the benefit of the transaction outweighs the cost of the transaction including any increases in rent charged to unassisted tenants;

(iii) the overall cost for providing rental assistance under section 8 for the project (if any) is not increased, except, upon approval by the Secretary to—

(I) mark-up-to-market contracts pursuant to section 524(a)(3) of the Multifamily Assisted Housing Reform and Affordability Act (42 U.S.C. 1437f note), as such section is carried out by the Secretary for properties owned by nonprofit organizations; or

(II) mark-up-to-budget contracts pursuant to section 524(a)(4) of the Multifamily Assisted Housing Reform and Affordability Act (42 U.S.C. 1437f note), as such section is carried out by the Secretary for properties owned by eligible owners (as such term is defined in section 202(k) of the Housing Act of 1959 (12 U.S.C. 1701q(k));

(iv) the project owner may charge tenants rent sufficient to meet debt service payments and operating cost requirements, as approved by the Secretary, if project-based rental assistance is not available or is insufficient for the debt service and operating cost of the project after refinancing. Such approval by the Secretary—

(I) shall be the basis for the owner to agree to terminate the project-based rental assistance contract that is insufficient for the debt service and operating cost of the project after refinancing; and

(II) shall be an eligibility event for the project for purposes of section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t));

(v) units to be occupied by tenants assisted under section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)) shall, upon termination of the occupancy of such tenants, become eligible for project-based assistance under section 8(o)(13) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(13)) without regard to the percentage limitations provided in such section; and

(vi) there shall be a use agreement of 20 years from the date of the maturity date of the original 202 loan for all units, including units to be occupied by tenants assisted under section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)).

SEC. [235]214. USE OF SURPLUS FEDERAL PROPERTY FOR THE HOMELESS No property identified by the Secretary of Housing and Urban Development as surplus Federal property for use to assist the homeless shall be made available to any homeless group unless the group is a member in good standing under any of HUD's homeless assistance programs or is in good standing with any other program which receives funds from any other Federal or State agency or entity: *Provided*, That an exception may be made for an entity not involved with Federal homeless programs to use surplus Federal property for the homeless only after the Secretary or another responsible Federal agency has fully and comprehensively

reviewed all relevant finances of the entity, the track record of the entity in assisting the homeless, the ability of the entity to manage the property, including all costs, the ability of the entity to administer homeless programs in a manner that is effective to meet the needs of the homeless population that is expected to use the property and any other related issues that demonstrate a commitment to assist the homeless: *Provided further*, That the Secretary shall not require the entity to have cash in hand in order to demonstrate financial ability but may rely on the entity's prior demonstrated fundraising ability or commitments for in-kind donations of goods and services: *Provided further*, That the Secretary shall make all such information and its decision regarding the award of the surplus property available to the committees of jurisdiction, including a full justification of the appropriateness of the use of the property to assist the homeless as well as the appropriateness of the group seeking to obtain the property to use such property to assist the homeless: *Provided further*, That, this section shall apply to properties in fiscal year [2008] 2009 and [2009] 2010 made available as surplus Federal property for use to assist the homeless.

SEC. [236]215. The Secretary of Housing and Urban Development [shall] is authorized to increase, pursuant to this section, the number of Moving-to-Work agencies authorized under section 204, title II, of the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act, 1996 (Public Law 104—; 110 Stat. 1321—) by adding to the program three Public Housing Agencies that meet the following requirements: is a High Performing Agency under the Public Housing Assessment System (PHAS) and is a HOPE VI agency. No PHA shall be granted this designation through this section that administers in excess of 5,000 aggregate housing vouchers and public housing units. No PHA granted this designation through this section shall receive more funding under sections 8 or 9 of the United States Housing Act of 1937 than they otherwise would have received absent this designation. *In addition to other reporting requirements, all Moving-to-Work agencies shall report financial data to the Department of Housing and Urban Development as specified by the Secretary, so that the effect of Moving-to-Work policy changes can be measured.*

[SEC. 237. Of the unobligated balances remaining from funds appropriated to the Department of Housing and Urban Development under the fourth paragraph under the heading "General and Special Risk Program Account" in the Department of Housing and Urban Development Appropriations Act, 2008, \$5,000,000 are rescinded: *Provided*, That with respect to such discount sales referenced under such paragraph, notwithstanding any other provision of law, in determining the market value of any multifamily real property or multifamily loan for any noncompetitive sale to a State or local government, the Secretary shall in fiscal year 2009 consider, but not be limited to, industry standard appraisal practices, including the cost of repairs needed to bring the property into such condition as to satisfy minimum State and local code standards and the cost of maintaining the affordability restrictions imposed by the Secretary on the multifamily real property or multifamily loan.]

[SEC. 238. The Secretary of the Department of Housing and Urban Development is authorized to transfer up to 5 percent of funds appropriated for any account under this title under the heading "Personnel Compensation and Benefits" to any other account under this title under the heading "Personnel Compensation and Benefits" only after such transfer has been submitted to, and received prior written approval by, the House and Senate Committees on Appropriations: *Provided*, That, no appropriation for any such account shall be increased or decreased by more than 10 percent by all such transfers.]

SEC. 216. *The Secretary of Housing and Urban Development is authorized to transfer funds made available for personnel or non-personnel expenses under any account or any set-aside within any account under this title under the general heading "Personnel Compensation and Benefits", and under account headings "Executive Direction" and "Administration, Operations and Management", to any other such account or any other such set-aside within any such account, 15 days after notice of such transfer has been submitted to the House and Senate Committees on Appropriations: Provided, That, no appropriation for personnel or non-personnel expenses in any such account or any such set-aside within any such account shall be increased or decreased by more than 10 percent by all such transfers.*

SEC. [239]217. The Disaster Housing Assistance Programs, administered by the Department of Housing and Urban Development, shall be

considered a "program of the Department of Housing and Urban Development" under section 904 of the McKinney Act for the purpose of income verifications and matching.

SEC. 218. *ALLOCATION OF FUNDS. Section 202(l)(3) of the United States Housing Act of 1959 (12 U.S.C. 1701q(l)(3)) is amended to read as*

follows: "(3) NONMETROPOLITAN ALLOCATION. Up to 15 percent of the funds made available for assistance under this section shall be allocated by the Secretary on a national basis for nonmetropolitan areas". (Department of Housing and Urban Development Appropriations Act, 2009.)