

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

This chapter presents the budget estimates and program justifications for the Department of Housing and Urban Development (HUD). HUD's core mission is to increase homeownership, support community development, and increase access to affordable housing free from discrimination. The 2007 Budget for HUD includes major reform proposals for the Federal Housing Administration (FHA), the Community Development Block Grant (CDBG) program, and housing vouchers. These reforms will enhance the effectiveness of HUD's programs.

The Department continues to emphasize expanding homeownership opportunities for all. Toward that goal, as part of a broader reform of FHA, two new programs are being proposed for 2007. First, FHA will introduce a 100 percent financing option for families who have good credit histories but lack the savings needed for the downpayment on a home. The second program will be directed toward families who have impaired credit histories and would normally be served only by the sub-prime market. Also, the HOME Investment Partnerships Program is increased by \$160 million. The funding includes \$100 million for the American Dream Downpayment Initiative. The improved performance of FHA and other homeownership efforts will help meet the goal of adding 5.5 million new minority homeowners by 2010.

The 2005 appropriation completed the shift of the Housing Choice Voucher program to a budget-based as opposed to a unit-based program. This shift was initiated by Congress in 2004 and will help in controlling the program's upward spiral in costs. Legislation has been proposed to provide Public Housing Agencies with substantial new flexibility to manage the voucher program in a way that controls costs and increases benefits to the two million families currently receiving assistance.

HUD continues to focus on combating homelessness and eliminating chronic homelessness with \$1.54 billion for Homeless Assistance, including up to \$200 million for a Samaritan initiative to provide supportive housing linked to services for chronically homeless persons. Homeless assistance includes \$25 million for HUD's part in a three-agency faith-based Prisoner Reentry initiative.

Funding in the 2007 budget for the Fair Housing Assistance and Fair Housing Initiatives programs (FHAP and FHIP) 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. With the publication of the National Discrimination Study, HUD now has the information necessary to improve enforcement, reduce discrimination, and address accessibility issues.

The Community Development Block Grant program, along with other federal programs for community and economic development, will be reformed in 2007 to increase the focus and effectiveness of federal efforts to provide adequate economic opportunity in low-income communities. HUD will propose legislation soon to revise the CDBG allocation formulas, to provide bonus funds tied to performance, and to make further reforms to increase CDBG's effectiveness. HUD will continue to provide funds for Indian Community Development and Native American Housing.

HUD is one of five Departments that are leading the Federal Government in tapping the potential of faith-based and community organizations to improve housing and help develop communities.

The 2007 budget includes \$115 million in lead hazard reduction grants to continue the 10-year program to eradicate lead hazards in housing.

To ensure the effective implementation of its programs, the Department's Office of Policy Development and Research (PD&R) will be provided with funds necessary to ensure timely provision of data, provide research and analysis of national housing and economic conditions, and evaluate the performance of programs, consistent with the Government Performance and Results Act of 1994.

The Department will continue the management reform effort initiated in 2001 and undertake further efforts in 2006 and 2007 to refocus HUD on its core mission and key programs as part of a continuing series of planned reforms to improve program performance.

PUBLIC AND INDIAN HOUSING

Federal Funds

General and special funds:

PREVENTION OF RESIDENT DISPLACEMENT

Program and Financing (in millions of dollars)

Identification code 86-0311-0-1-604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
09.00 Reimbursable program	10	69	.....
10.00 Total new obligations (object class 41.0)	10	69	.....
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		69	.....
22.00 New budget authority (gross)	79		.....
23.90 Total budgetary resources available for obligation	79	69	.....
23.95 Total new obligations	-10	-69	.....
24.40 Unobligated balance carried forward, end of year	69		.....
New budget authority (gross), detail:			
Discretionary:			
68.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)	79		.....
Change in obligated balances:			
72.40 Obligated balance, start of year		10	.....
73.10 Total new obligations	10	69	.....
73.20 Total outlays (gross)		-79	.....
74.40 Obligated balance, end of year	10		.....
Outlays (gross), detail:			
86.93 Outlays from discretionary balances		79	.....
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-79		.....
Net budget authority and outlays:			
89.00 Budget authority .....			.....
90.00 Outlays	-79	79	.....

HUD received \$79 million from FEMA in 2005 via a mission assignment to provide housing assistance to families that were affected by Hurricane Katrina. Eligible recipients included families that were previously assisted by HUD or those that were homeless prior to Hurricane Katrina. Similar activities will be continued under the \$390 million supplemental

General and special funds—Continued

PREVENTION OF RESIDENT DISPLACEMENT—Continued

appropriation pursuant to P.L. 109–148, the Robert T. Stafford Disaster Relief and Emergency Act (42 U.S.C. 5121 et seq.) under the Tenant-Based Rental Assistance account.

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, **[\$15,573,655,725] \$15,920,000,000**, to remain available until expended, of which **[\$11,373,656,000] \$11,720,000,000** shall be available on October 1, **[2005] 2006**, and **\$4,200,000,000** shall be available on October 1, **[2006] 2007**: *Provided*, That the amounts made available under this heading are provided as follows:

(1) **[\$14,089,755,725] \$14,436,200,000** 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): *Provided*, That notwithstanding any other provision of law, from amounts provided under this paragraph, the Secretary for the calendar year **[2006] 2007** funding cycle shall provide renewal funding for each public housing agency based on [each public housing agency’s 2005 annual budget for renewal funding as calculated by HUD, prior to prorations] *the amount public housing agencies were eligible to receive in calendar year 2006, and by applying the 2007 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 the first-time renewal of tenant protection or HOPE VI vouchers [or 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]:* *Provided further*, That the Secretary shall, to the extent necessary to stay within the amount provided under this paragraph, pro rate each public housing agency’s allocation otherwise established pursuant to this paragraph: **[Provided further**, That except as provided in the following proviso, the entire amount provided under this paragraph shall be obligated to the public housing agencies based on the allocation and pro rata method described above:] *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 proviso: *Provided further*, That up to **[\$45,000,000] \$100,000,000** shall be available [only: (1) to adjust the allocations for public housing agencies, after application for an adjustment by a public housing agency and verification by HUD, whose allocations under this heading for contract renewals for the calendar year 2005 funding cycle were based on verified VMS leasing and cost data averaged for the months of May, June, and July of 2004 and solely because of temporarily low leasing levels during such 3-month period did not accurately reflect leasing levels and costs for the 2004 fiscal year of the agencies; and (2) for adjustments for public housing agencies that experienced a significant increase, as determined by the Secretary, in renewal costs resulting from unforeseen circumstances or from the portability under section 8(r) of the United States Housing Act of 1937 of tenant-based rental assistance: *Provided further*, That none of the funds provided in this paragraph may be used to support a total number of unit months under lease which exceeds a public housing agency’s authorized level of units under contract] *for additional rental subsidy due to unforeseen exigencies as determined by the Secretary and for the one-time funding of housing assistance payments resulting from the portability provisions of the housing choice voucher program;*

(2) **[\$180,000,000] \$149,300,000** for section 8 rental assistance for relocation and replacement of housing units under lease 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: *Provided*, That [no more than \$12,000,000 can be used for section 8 assistance to cover the cost of judgments and settlement agreements] *additional section 8 tenant protection rental assistance costs may be funded in 2007 by utilizing 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”, the heading “Housing Certificate Fund”, and the heading “Project-based rental assistance”, for fiscal year 2006 and prior years;*

(3) **[\$48,000,000] \$47,500,000** for family self-sufficiency coordinators under section 23 of the Act;

(4) **[\$5,900,000] \$5,900,000** shall be transferred to the Working Capital Fund; and

(5) **[\$1,250,000,000] \$1,281,100,000** for administrative and other expenses of public housing agencies in administering the section 8 tenant-based rental assistance program, of which up to **[\$10,000,000] \$30,000,000** shall be available to the Secretary to allocate to public housing agencies that need additional funds to administer their section 8 programs, *with up to \$20,000,000 to be for fees associated with section 8 tenant protection rental assistance: Provided*, That **[\$1,240,000,000] \$1,251,200,000** of the amount provided in this paragraph shall be allocated for the calendar year **[2006] 2007** funding cycle on a pro rata basis to public housing agencies based on the amount public housing agencies were eligible to receive in calendar year **[2005] 2006**: *Provided further*, That all 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. (*Department of Housing and Urban Development Appropriations Act, 2006.*)

[For an additional amount for housing vouchers for households within the area declared a major disaster under the Robert T. Stafford Disaster Relief and Emergency Act (42 U.S.C. 5121 et seq.) resulting from hurricanes in the Gulf of Mexico during calendar year 2005, \$390,299,500, to remain available until September 30, 2007: *Provided*, That such households shall be limited to those which, prior to Hurricanes Katrina or Rita, received assistance under section 8 or 9 of the United States Housing Act of 1937 (Public Law 93–383), section 801 or 811 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625), the AIDS Housing Opportunity Act (Public Law 101–625), or the Stewart B. McKinney Homeless Assistance Act (Public Law 100–77); or those which were homeless or in emergency shelters in the declared disaster area prior to Hurricanes Katrina or Rita: *Provided further*, That these funds are available for assistance, under section 8(o) of the United States Housing Act of 1937: *Provided further*, That in administering assistance under this heading the Secretary of Housing and Urban Development may waive requirements for income eligibility and tenant contribution under section 8 of such Act for up to 18 months: *Provided further*, That all households receiving housing vouchers under this heading shall be eligible to reoccupy their previous assisted housing, if and when it becomes available: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 95 (109th Congress), the concurrent resolution on the budget for fiscal year 2006.] (*Emergency Supplemental Appropriations Act to Address Hurricanes in the Gulf of Mexico and Pandemic Influenza, 2006.*)

Program and Financing (in millions of dollars)

Identification code 86–0302–0–1–604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Tenant Protection	125	215	149
00.02 Administrative Fees	1,197	1,241	1,281
00.03 Family Self Sufficiency Coordinators		93	48
00.05 Working Capital Fund	3	6	6
00.06 Contract Renewals	9,188	13,950	14,436
00.07 Disaster Assistance		390	
10.00 Total new obligations (object class 41.0)	10,513	15,895	15,920
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		87	
22.00 New budget authority (gross)	10,600	15,808	15,920

23.90	Total budgetary resources available for obligation	10,600	15,895	15,920
23.95	Total new obligations	-10,513	-15,895	-15,920
24.40	Unobligated balance carried forward, end of year	87		
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	10,685	11,764	11,720
40.33	Appropriation permanently reduced (P.L. 109-148)		-114	
40.35	Appropriation permanently reduced	-85		
43.00	Appropriation (total discretionary)	10,600	11,650	11,720
55.00	Advance appropriation		4,200	4,200
55.33	Appropriation permanently reduced (P.L. 109-148)		-42	
55.90	Advance appropriation (total discretionary)		4,158	4,200
70.00	Total new budget authority (gross)	10,600	15,808	15,920
Change in obligated balances:				
72.40	Obligated balance, start of year		482	943
73.10	Total new obligations	10,513	15,895	15,920
73.20	Total outlays (gross)	-10,031	-15,434	-16,024
74.40	Obligated balance, end of year	482	943	839
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	10,031	14,904	15,124
86.93	Outlays from discretionary balances		530	900
87.00	Total outlays (gross)	10,031	15,434	16,024
Net budget authority and outlays:				
89.00	Budget authority	10,600	15,808	15,920
90.00	Outlays	10,031	15,434	16,024

Tenant Based Rental Assistance. The 2005 Appropriations enacted several reforms to the funding structure of the Tenant-based Rental Assistance program (also known as the Housing Choice Voucher Program) but allows limited flexibility on the part of Public Housing Agencies (PHAs) to adjust to these changes. The Administration will continue to promote the State and Local Housing Flexibility Act of 2005 that will expand the dollar-based approach adopted by Congress and include the necessary flexibility to run effective and efficient programs. These reforms will improve the delivery of rental and homeownership subsidies for low-income families in a fiscally responsible manner, thereby ensuring the long-term sustainability of the tenant-based voucher program. The proposal includes greater PHA discretion in meeting local housing objectives and provides for steady and predictable funding levels adjusted annually for inflation.

In 2006 the Department of Housing the Urban Development received \$390 million for housing vouchers and administrative fees to supplement Tenant-Based Rental Assistance pursuant to P.L. 109-148 to assist households within the area declared a major disaster under the Robert T. Stafford Disaster Relief and Emergency Act (42 U.S.C. 5121 et seq.) resulting from Hurricanes Katrina and Rita that were assisted by HUD, homeless—on the street or in emergency shelters—prior to Hurricanes Katrina and Rita. The Department will assist these families for a period of 18 months.

HOUSING CERTIFICATE FUND
(RESCISSION)

Of the 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", the heading "Tenant-based rental assistance", and the heading "Project-based rental assistance", for fiscal year [2005] 2006 and prior years, [\$2,050,000,000] \$2,000,000 is rescinded, to be effected by the Secretary no later than September 30, [2006] 2007: *Provided*, That, if insufficient funds exist under these headings, the remaining balance may be derived from any other heading under this title: *Provided further*, That the Secretary shall notify the Committees on Appropriations 30 days

in advance of the rescission of any funds derived from the headings specified above: *Provided further*, That any such balances governed by reallocation provisions under the statute authorizing the program for which the funds were originally appropriated shall be available for the rescission: *Provided further*, That any obligated balances of contract authority from fiscal year 1974 and prior that have been terminated shall be cancelled: *Provided further*, That no amounts recaptured from amounts appropriated in prior years under this heading or the heading "Annual contributions for assisted housing" and no carryover of such appropriated amounts for project-based assistance shall be available for the calendar year 2006 funding cycle for activities provided for under the heading "Tenant-based rental assistance". (*Department of Housing and Urban Development Appropriations Act, 2006.*)

Program and Financing (in millions of dollars)			
Identification code 86-0319-0-1-604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01	Contract renewals	4,351	1,177
00.02	Contract Administrator	51	94
00.03	Rental Assistance	102	28
00.05	Section 8 Amendments	299	108
00.11	Administrative Fees	79	3
00.12	Central Reserve	44	4
00.16	Family Self Sufficiency Coordinators	48	
10.00	Total new obligations (object class 41.0)	4,974	1,414
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	2,255	1,414
22.00	New budget authority (gross)	2,710	-2,050
22.10	Resources available from recoveries of prior year obligations	1,454	2,050
22.75	Balance of contract authority withdrawn	-31	
23.90	Total budgetary resources available for obligation	6,388	1,414
23.95	Total new obligations	-4,974	-1,414
24.40	Unobligated balance carried forward, end of year	1,414	
New budget authority (gross), detail:			
Discretionary:			
40.36	Unobligated balance permanently reduced	-1,456	-2,050
55.00	Advance appropriation	4,200	
55.35	Advance appropriation permanently reduced	-34	
55.90	Advance appropriation (total discretionary)	4,166	
Mandatory:			
60.00	Appropriation	2,500	5,000
60.49	Portion applied to liquidate contract authority	-2,500	-5,000
62.50	Appropriation (total mandatory)		
70.00	Total new budget authority (gross)	2,710	-2,050
Change in obligated balances:			
72.40	Obligated balance, start of year	26,383	18,807
73.10	Total new obligations	4,974	1,414
73.20	Total outlays (gross)	-11,096	-3,717
73.45	Recoveries of prior year obligations	-1,454	-2,050
74.40	Obligated balance, end of year	18,807	14,454
Outlays (gross), detail:			
86.90	Outlays from new discretionary authority	1,227	
86.93	Outlays from discretionary balances	9,869	3,717
87.00	Total outlays (gross)	11,096	3,717
Net budget authority and outlays:			
89.00	Budget authority	2,710	-2,050
90.00	Outlays	11,096	3,717
Memorandum (non-add) entries:			
93.03	Obligated balance, start of year: Contract authority		15,741
93.04	Obligated balance, end of year: Contract authority	15,741	10,741

The Housing Certificate Fund, until 2005, provided funding to both 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,

General and special funds—Continued

HOUSING CERTIFICATE FUND—Continued
(RESCISSION)—Continued

and the Housing Certificate Fund retains balances from previous years' appropriations and in 2007 includes a rescission of \$2 billion of those balances.

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, as amended (42 U.S.C. 1437 et seq.) ("the Act" herein), not otherwise provided for, **[\$5,088,300,000] \$5,675,700,000**, to remain available until expended: *Provided*, That the amounts made available under this heading are provided as follows:

(1) **[\$4,939,700,000] \$5,526,240,000** 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, 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) **[\$147,200,000] \$145,500,000** for performance-based contract administrators for section 8 project-based assistance: *Provided*, That the Secretary may also use such amounts for performance-based contract administrators for: 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, as amended (12 U.S.C. 1701q, 1701q-1); project rental assistance contracts for supportive housing for persons with disabilities under section 811(d)(2) of the Cranston-Gonzalez National Affordable Housing Act; 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) **[\$1,400,000] \$3,960,000** shall be transferred to the Working Capital Fund: *Provided further*, That amounts recaptured under this heading, the heading "Annual Contributions for Assisted Housing", or the heading "Housing Certificate Fund", for project-based section 8 activities may be used for renewals of or amendments to section 8 project-based subsidy contracts or for performance-based contract administrators, notwithstanding the purposes for which such amounts were appropriated.

(4) 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, 2006.*)

Program and Financing (in millions of dollars)

Identification code 86-0303-0-1-604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Contract Renewals	4,611	5,475	5,526
00.02 Contract Administrators	75	171	146
00.03 Working Capital Fund	2	1	4
10.00 Total new obligations (object class 41.0)	4,688	5,647	5,676
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		610	
22.00 New budget authority (gross)	5,298	5,037	5,676
23.90 Total budgetary resources available for obligation	5,298	5,647	5,676

23.95 Total new obligations	-4,688	-5,647	-5,676
24.40 Unobligated balance carried forward, end of year	610		

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	5,341	5,088	5,676
40.33 Appropriation permanently reduced (P.L. 109-148)		-51	
40.35 Appropriation permanently reduced	-43		
43.00 Appropriation (total discretionary)	5,298	5,037	5,676

Change in obligated balances:

72.40 Obligated balance, start of year		2,530	3,291
73.10 Total new obligations	4,688	5,647	5,676
73.20 Total outlays (gross)	-2,158	-4,886	-5,324
74.40 Obligated balance, end of year		2,530	3,291

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	2,158	2,267	2,554
86.93 Outlays from discretionary balances		2,619	2,770
87.00 Total outlays (gross)	2,158	4,886	5,324

Net budget authority and outlays:

89.00 Budget authority	5,298	5,037	5,676
90.00 Outlays	2,158	4,886	5,324

Project-based Rental Assistance. HUD subsidizes rents for approximately 1.3 million families in over 19,000 projects under the Section 8 project-based rent subsidy program. Unlike the tenant-based Section 8 program, subsidies in the project-based program are tied directly to the project. Tenants pay up to 30 percent of income toward the rent with HUD subsidizing the remainder. Rents are adjusted periodically subject to HUD guidelines and approval. The Section 8 project-based program provides essential assistance to maintain the stock of affordable housing for low- and moderate-income families and individuals, many of whom are elderly or disabled. Program activity includes the following:

Contract Renewals. Original Section 8 assistance contracts were entered into between HUD and project owners for periods of up to 40 years. As contract terms expire they are renewed on an annual funding cycle and additional renewal budget authority is required to maintain the housing stock.

Section 8 Amendments. A funding amendment to a Section 8 contract is required to maintain the project until its contract expiration date when actual costs incurred exceed the amount of budget authority originally set-aside for the project. These additional costs are proposed to be entirely funded in 2007 by utilizing excess balances remaining on expired Section 8 contracts that utilized less than anticipated resources in completing the contract. No new BA is requested in 2007 for Section 8 Amendment activity.

Contract Administrators. HUD utilizes Performance Based Contract Administrators (PBCAs) to administer and monitor the project-based portfolio. There are presently 55 PHAs under contract to manage approximately 13,633 contracts with 892,000 units. An additional 3,700 contracts with 275,000 units are anticipated to be added to the PBCA inventory in 2007. Further, language is included under the Project Rental Assistance heading for PBCA administration of non-Section 8 contracts. These include Rent Supplement and Rental Assistance Program (RAP) contracts, Project Rental Assistance Contracts (PRAC) and Project Assistance Contracts (PAC), and Section 236 contracts. Funding for 2007 is proposed to be derived by \$145.5 million of new budget authority.

Project-based Tenant Protection. Voucher assistance is provided to tenants who face displacement as a result of actions taken by project owners or by HUD that are beyond their control. This occurs as a result of owners opting out of the program or being terminated by HUD. HUD's property disposition activities and prepayment activity under the Preservation program may also lead to Project-Based Tenant Protec-

tion requirements. These project-based requirements, which are met through voucher assistance, are funded under the Tenant-Based heading.

Working Capital Fund Transfer. A total of \$4.0 million is requested in 2007 to fund development of and modifications to technology systems that service or are related to the programs or activities under this heading.

MOVING TO WORK

Program and Financing (in millions of dollars)

Identification code 86-0331-0-1-451	2005 actual	2006 est.	2007 est.
Change in obligated balances:			
72.40 Obligated balance, start of year	1		
73.40 Adjustments in expired accounts (net)	-1		
74.40 Obligated balance, end of year			
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

The Moving to Work demonstration provides unprecedented autonomy and flexibility to a select group of high-performing public housing authorities (PHAs) in order to assess the potential impacts of Federal deregulation on resident households, housing developments, and local housing programs. Through waivers of requirements of the 1937 Housing Act, as amended, and related Federal regulations, participating PHAs can combine Federal funding allocated for public housing operating subsidy, capital subsidy, and Section 8 vouchers into a flexible housing assistance fund. PHAs may provide incentives to families that work, are seeking work, or are preparing for work, PHAs are also allowed to change administrative procedures and management policies so they can re-allocate resources to better address local housing needs and priorities. No additional funding is being requested for this demonstration. The State and Local Housing Flexibility Act of 2005 proposes to expand Moving to Work as a reward for well-performing and well-managed PHAs.

PUBLIC HOUSING CAPITAL FUND
(INCLUDING TRANSFERS 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, as amended (42 U.S.C. 1437g) (the "Act") **[\$2,463,600,000] \$2,178,000,000**, to remain available until September 30, **[2009] 2010: Provided**, That notwithstanding any other provision of law or regulation, during fiscal year **[2006] 2007**, the Secretary 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 **[\$11,000,000] \$10,890,000** shall be for carrying out activities under section 9(h) of such Act: *Provided further*, That **[\$11,000,000] up to \$14,850,000** shall be transferred to the Working Capital Fund: *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, as amended: *Provided further*, That of the total amount provided under this heading, up to **[\$17,000,000] \$19,800,000** shall be available for the Secretary of Housing and Urban Development to make grants, notwithstanding section 305 of this Act, to public housing agencies for emergency capital needs resulting from unforeseen or unpreventable emergencies and natural disasters occurring in fiscal year **2005, 2006, and 2007: Provided further**, That of the total amount provided under this heading, **[\$38,000,000] \$23,760,000** shall be for

supportive services, service coordinators and congregate services as authorized by section 34 of the Act and the Native American Housing Assistance and Self-Determination Act of 1996: *Provided further*, That of the total amount provided under this heading up to **[\$8,820,000] \$7,920,000** is to support the costs of administrative and judicial receiverships: *Provided further*, That of the total amount provided under this heading, \$7,500,000 shall be for Neighborhood Networks grants for activities authorized in section 9(d)(1)(E) of the United States Housing Act of 1937, as amended: *Provided further*, That notwithstanding any other provision of law, amounts made available in the previous proviso shall be awarded to public housing agencies on a competitive basis: *Provided further*, That notwithstanding section 9(d)(1)(E) of the United States Housing Act of 1937, any Neighborhood Networks computer center established with funding made available under this heading in this or any other Act, shall be available for use by residents of public housing and residents of other housing assisted with funding made available under this title in this Act or any other Act] *Provided further*, That of the total amount provided under this heading 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). (Department of Housing and Urban Development Appropriations Act, 2006.)

Program and Financing (in millions of dollars)

Identification code 86-0304-0-1-604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Capital Grants	2,431	2,346	2,085
00.02 Emergency/Disaster	40	17	20
00.03 Technical Assistance	42	11	11
00.04 Working Capital Fund	10	11	15
00.06 Resident Opportunities and Supportive Services	27	38	24
00.10 Neighborhood Networks	5	7	
00.11 Administrative Receivership		9	8
00.12 Financial and Physical Assessment Support			15
10.00 Total new obligations (object class 41.0)	2,555	2,439	2,178
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	287	322	322
22.00 New budget authority (gross)	2,579	2,439	2,178
22.10 Resources available from recoveries of prior year obligations	21		
22.75 Balance of contract authority withdrawn	-8		
23.90 Total budgetary resources available for obligation	2,879	2,761	2,500
23.95 Total new obligations	-2,555	-2,439	-2,178
23.98 Unobligated balance expiring or withdrawn	-2		
24.40 Unobligated balance carried forward, end of year	322	322	322
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	2,600	2,464	2,178
40.33 Appropriation permanently reduced (P.L. 109-148)		-25	
40.35 Appropriation permanently reduced	-21		
43.00 Appropriation (total discretionary)	2,579	2,439	2,178
Mandatory:			
60.00 Appropriation	600	500	500
60.49 Portion applied to liquidate contract authority	-600	-500	-500
62.50 Appropriation (total mandatory)			
70.00 Total new budget authority (gross)	2,579	2,439	2,178
Change in obligated balances:			
72.40 Obligated balance, start of year	9,761	9,142	8,469
73.10 Total new obligations	2,555	2,439	2,178
73.20 Total outlays (gross)	-3,153	-3,112	-2,865
73.45 Recoveries of prior year obligations	-21		
74.40 Obligated balance, end of year	9,142	8,469	7,782
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	64	45	56
86.93 Outlays from discretionary balances	3,089	3,067	2,809
87.00 Total outlays (gross)	3,153	3,112	2,865
Net budget authority and outlays:			
89.00 Budget authority	2,579	2,439	2,178
90.00 Outlays	3,153	3,112	2,865

General and special funds—Continued

PUBLIC HOUSING CAPITAL FUND—Continued
(INCLUDING TRANSFERS OF FUNDS)—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 86-0304-0-1-604	2005 actual	2006 est.	2007 est.
Memorandum (non-add) entries:			
93.03 Obligated balance, start of year: Contract authority	2,748	2,139	1,639
93.04 Obligated balance, end of year: Contract authority	2,139	1,639	1,139

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.

Of the nearly \$2.2 billion requested for the Public Housing Capital Fund, approximately \$2.1 billion is provided to cover annual accrual needs. Other uses include \$24 million to provide supportive services to public housing residents under the Resident Opportunities and Supportive Services (ROSS) program, up to \$20 million for emergencies or disasters, up to \$11 million for technical assistance, up to \$15 million for the Working Capital Fund, up to \$15 million for public housing financial and physical assessment support, and up to \$8 million for administrative and judicial receiverships.

PUBLIC HOUSING OPERATING FUND

For 2006 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, as amended (42 U.S.C. 1437g(e)), **[\$3,600,000,000] \$3,564,000,000, of which \$9,900,000 in bonus funds shall be provided to public housing agencies that assist program participants in moving away from dependency on housing assistance programs: Provided, That of the total amount provided under this heading, \$5,940,000 shall be for technical assistance related to the transition and implementation of asset-based management in public housing: Provided further, That, in fiscal year [2006] 2007 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, as amended. (Department of Housing and Urban Development Appropriations Act, 2006.)**

Program and Financing (in millions of dollars)

Identification code 86-0163-0-1-604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Operating Subsidy	2,422	3,565	3,554
00.02 Voluntary Incentive Bonus	10		10
00.03 Department of Justice Anti-Drug	8		
10.00 Total new obligations (object class 41.0)	2,440	3,565	3,564
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3	1	
22.00 New budget authority (gross)	2,437	3,564	3,564
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	2,441	3,565	3,564
23.95 Total new obligations	-2,440	-3,565	-3,564
24.40 Unobligated balance carried forward, end of year	1		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	2,458	3,600	3,564
40.33 Appropriation permanently reduced (P.L. 109-148)		-36	
40.35 Appropriation permanently reduced	-20		
40.36 Unobligated balance permanently reduced	-1		
43.00 Appropriation (total discretionary)	2,437	3,564	3,564

Change in obligated balances:

72.40 Obligated balance, start of year	2,007	872	892
73.10 Total new obligations	2,440	3,565	3,564
73.20 Total outlays (gross)	-3,572	-3,545	-3,564
73.40 Adjustments in expired accounts (net)	-2		
73.45 Recoveries of prior year obligations	-1		
74.40 Obligated balance, end of year	872	892	892

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	1,571	2,673	2,673
86.93 Outlays from discretionary balances	2,001	872	891
87.00 Total outlays (gross)	3,572	3,545	3,564

Net budget authority and outlays:

89.00 Budget authority	2,437	3,564	3,564
90.00 Outlays	3,572	3,545	3,564

Operating subsidies are provided to public housing authorities (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 housing authorities' expected revenue and expenditures by category. The distribution is based on historical data reported by housing authorities to HUD on the Statement of Operating Receipts and Expenditures.

Sources of Housing Authorities' Operating Revenue (in millions of dollars)

Category	Annual income	Percent of total
Operating Subsidies	\$3,564	53%
Dwelling Rental	2,908	43%
Investment	66	1%
Other Income	232	3%
Total, Operating Revenue	\$6,770	100%

Operating Subsidies.—Represent HUD's contributions to a housing authority'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, has adopted a new operating subsidy formula based on the previously 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.

Housing Authorities' Operating Expenditures (in millions of dollars)

Category	Annual expenditures	Percent of total
Utilities	\$1,481	22%
Administration	1,905	28%
General Operating Expenses	586	9%
Maintenance	2,443	36%
Tenant Services	166	2%
Protective Services	182	3%
Capital Expenditures	7	0%
Operating Reserve	0	0%
Total, Operating Expenses*/	\$6,770	100%

*Includes Housing Self-Sufficiency Awards.

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.

Capital Expenditures.—Includes extraordinary maintenance, casualty losses, and property betterments (e.g. roofs and furnaces).

Operating reserves.—Provides working capital funds and is a reserve for emergencies.

Voluntary Graduation Bonus/Housing Self-Sufficiency Award.—This proposal provides up to \$10 million in bonus funds for public housing authorities that move program participants away from dependency on public housing assistance programs within the current regulatory and statutory constraints.

Asset-Based Management Technical Assistance.—Provides contracting and consultative services to support PHA's transitioning to project-based accounting and asset-based management.

DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING

Program and Financing (in millions of dollars)

Identification code 86-0197-0-1-604	2005 actual	2006 est.	2007 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	18		
22.00 New budget authority (gross)	-21		
22.10 Resources available from recoveries of prior year obligations	3		
New budget authority (gross), detail:			
Discretionary:			
40.36 Unobligated balance permanently reduced	-21		
Change in obligated balances:			
72.40 Obligated balance, start of year	17	8	2
73.20 Total outlays (gross)	-6	-6	-2
73.45 Recoveries of prior year obligations	-3		
74.40 Obligated balance, end of year	8	2	
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	6	6	2
Net budget authority and outlays:			
89.00 Budget authority	-21		
90.00 Outlays	6	6	2

The Public Housing Drug Elimination Grants program was terminated in the 2002 Budget. The program was found to have limited impact; current regulatory tools, such as tenant screening and eviction, are effective in reducing drug-related crime in public housing; and fighting crime and drugs is not directly related to HUD's core mission—it is the mission of federal law enforcement and other agencies whose programs help combat illegal drugs and crime in public housing communities. PHAs can supplement other public housing security efforts using operating funds if they choose.

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, as amended, \$100,000,000, to remain available until September 30, 2007, of which the Secretary may use up to \$2,000,000 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. *Of the unobligated balances remaining from funds appropriated in fiscal year 2006 under the heading "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 as amended, \$99,000,000 is cancelled. (Department of Housing and Urban Development Appropriations Act, 2006.)*

Program and Financing (in millions of dollars)

Identification code 86-0218-0-1-604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Direct program activity	165	140	
00.02 Technical Assistance		4	
10.00 Total new obligations (object class 41.0)	165	144	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	165	144	99
22.00 New budget authority (gross)	143	99	-99
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	309	243	
23.95 Total new obligations	-165	-144	
24.40 Unobligated balance carried forward, end of year	144	99	
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	144	100	
40.33 Appropriation permanently reduced (P.L. 109-148)		-1	
40.35 Appropriation permanently reduced	-1		-99
43.00 Appropriation (total discretionary)	143	99	-99
Change in obligated balances:			
72.40 Obligated balance, start of year	2,669	2,138	1,631
73.10 Total new obligations	165	144	
73.20 Total outlays (gross)	-695	-651	-594
73.45 Recoveries of prior year obligations	-1		
74.40 Obligated balance, end of year	2,138	1,631	1,037
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			-3
86.93 Outlays from discretionary balances	695	651	597
87.00 Total outlays (gross)	695	651	594
Net budget authority and outlays:			
89.00 Budget authority	143	99	-99
90.00 Outlays	695	651	594

The HOPE VI program has completed its goal of contributing to the demolition of 100,000 severely distressed public housing units. No additional funds are requested and the funds remaining at the end of 2006 are proposed for rescission. The program, while completing its goal, was found to be more costly than other programs and slow to complete redevelopments. The remaining balance of over \$2 billion at the end of 2005 will spend out over several years as the redevelopment projects are completed.

Cumulative results of the HOPE VI program as of June 30, 2005 follow: 60,923 households have been relocated,

General and special funds—Continued

**REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING
(HOPE VI)—Continued**

76,766 units have been demolished, 43,397 units (new and rehabilitated) have been completed, and 39,931 completed units have been occupied.

**NATIVE AMERICAN HOUSING BLOCK GRANTS
(INCLUDING TRANSFER OF FUNDS)**

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.), **[\$630,000,000] \$625,680,000**, 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, **[\$1,000,000]** shall be contracted through the Secretary as technical assistance and capacity building to be used by the National American Indian Housing Council in support of the implementation of NAHASDA; **[\$4,500,000] \$3,465,000** 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; up to \$4,000,000 may be used for emergencies that constitute imminent threats to health and safety, notwithstanding any other provision of law (including section 305 of this Act): *Provided further*, That of the amount provided under this heading, **[\$2,000,000] \$1,980,000** 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 **[\$17,926,000] \$14,938,825**: *Provided further*, That for administrative expenses to carry out the guaranteed loan program, up to **[\$150,000] \$148,500** from amounts in the third proviso, which shall be transferred to and merged with the appropriation for "Salaries and Expenses". (*Department of Housing and Urban Development Appropriations Act, 2006.*)

Program and Financing (in millions of dollars)

Identification code 86-0313-0-1-604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Indian Housing Block Grants	642	613	620
00.02 Title VI Loan Guarantee Subsidy	1	1	2
00.03 Technical Assistance	7	4	4
00.04 Working Capital Fund	3		
00.05 National American Indian Housing Council	2	1	
00.07 Upward reestimate	4	2	
00.11 Emergencies		4	
10.00 Total new obligations (object class 41.0)	659	625	626
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	114	61	62
22.00 New budget authority (gross)	605	626	626
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	720	687	688
23.95 Total new obligations	-659	-625	-626
24.40 Unobligated balance carried forward, end of year	61	62	62
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	627	630	626
40.33 Appropriation permanently reduced (P.L. 109-148)		-6	

40.35 Appropriation permanently reduced	-5		
40.36 Unobligated balance permanently reduced	-21		
43.00 Appropriation (total discretionary)	601	624	626
Mandatory:			
60.00 Appropriation	4	2	
70.00 Total new budget authority (gross)	605	626	626
Change in obligated balances:			
72.40 Obligated balance, start of year	939	909	816
73.10 Total new obligations	659	625	626
73.20 Total outlays (gross)	-688	-718	-702
73.45 Recoveries of prior year obligations	-1		
74.40 Obligated balance, end of year	909	816	740
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	182	109	109
86.93 Outlays from discretionary balances	502	607	593
86.97 Outlays from new mandatory authority	4	2	
87.00 Total outlays (gross)	688	718	702
Net budget authority and outlays:			
89.00 Budget authority	605	626	626
90.00 Outlays	688	718	702

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

Identification code 86-0313-0-1-604	2005 actual	2006 est.	2007 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Title VI	4	10	15
215901 Total loan guarantee levels	4	10	15
Guaranteed loan subsidy (in percent):			
232001 Title VI	10.32	12.26	11.99
232901 Weighted average subsidy rate	10.32	12.26	11.99
Guaranteed loan subsidy budget authority:			
233001 Title VI	1	1	2
233901 Total subsidy budget authority	1	1	2
Guaranteed loan subsidy outlays:			
234001 Title VI	1	1	2
234901 Total subsidy outlays	1	1	2
Guaranteed loan upward reestimate subsidy budget authority:			
235001 Title VI	4	1	
235901 Total upward reestimate budget authority	4	1	
Administrative expense data:			
351001 Budget authority			
358001 Outlays from balances			
359001 Outlays from new authority			

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.

The Native American Housing Block Grant program includes a guaranteed loan provision (Title VI). A guarantee level of \$14.9 million is proposed for this loan guarantee program for 2007. 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 be-

yond (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.), **[\$8,815,000] \$5,940,000**, to remain available until expended, of which \$352,606 shall be for training and technical assistance activities of which \$299,211 shall be for training and technical activities, including up to \$100,000 for related travel. (Department of Housing and Urban Development Appropriations Act, 2006.)

Program and Financing (in millions of dollars)

Identification code 86-0235-0-1-604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Native Hawaiian Housing Block Grant		9	6
10.00 Total new obligations (object class 41.0)		9	6
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		9	6
23.95 Total new obligations		-9	-6
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation		9	6
Change in obligated balances:			
72.40 Obligated balance, start of year			8
73.10 Total new obligations		9	6
73.20 Total outlays (gross)		-1	-3
74.40 Obligated balance, end of year		8	11
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority		1	1
86.93 Outlays from discretionary balances			2
87.00 Total outlays (gross)		1	3
Net budget authority and outlays:			
89.00 Budget authority		9	6
90.00 Outlays		1	3

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.

Public enterprise funds:

LOW-RENT PUBLIC HOUSING—LOANS AND OTHER EXPENSES

Program and Financing (in millions of dollars)

Identification code 86-4098-0-3-604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
09.01 Reimbursable program: Capital investment loans to PHAs	3	3	3

10.00 Total new obligations (object class 33.0)	3	3	3
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	20	20	
22.00 New budget authority (gross)	103	98	103
22.60 Portion applied to repay debt	-83	-88	-93
22.60 Portion applied to repay debt (FFB)	-17	-27	-7
23.90 Total budgetary resources available for obligation	23	3	3
23.95 Total new obligations	-3	-3	-3
24.40 Unobligated balance carried forward, end of year	20		
New budget authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	20	10	10
Mandatory:			
69.00 Spending authority from offsetting collections: Offsetting collections (cash)	83	88	93
70.00 Total new budget authority (gross)	103	98	103
Change in obligated balances:			
72.40 Obligated balance, start of year	440	370	275
73.10 Total new obligations	3	3	3
73.20 Total outlays (gross)	-73	-98	-103
74.40 Obligated balance, end of year	370	275	175
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	63	98	103
86.98 Outlays from mandatory balances	10		
87.00 Total outlays (gross)	73	98	103
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-83	-88	-93
Net budget authority and outlays:			
89.00 Budget authority	20	10	10
90.00 Outlays	-10	10	10

Status of Direct Loans (in millions of dollars)

Identification code 86-4098-0-3-604	2005 actual	2006 est.	2007 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	1,056	973	885
1251 Repayments: Repayments and prepayments	-83	-88	-93
1290 Outstanding, end of year	973	885	792

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4098-0-3-604	2005 actual	2006 est.	2007 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	1,649	1,390	1,123
2251 Repayments and prepayments	-259	-267	-267
2290 Outstanding, end of year	1,390	1,123	856
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	1,390	1,123	856

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, \$20 million borrowed from the Treasury was forgiven in 2005, \$10 million will be borrowed from the Treasury and forgiven in 2006, and an estimated \$10 million will be borrowed from the Treasury and forgiven in 2007.

Public enterprise funds—Continued

**LOW-RENT PUBLIC HOUSING—LOANS AND OTHER EXPENSES—
Continued**

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

Operating results.—The actual net operating income for 2004 and 2005 follows:

Balance Sheet (in millions of dollars)

Identification code 86-4098-0-3-604	2004 actual	2005 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	460	389
Net value of assets related to pre-1992 direct loans receivable and ac- quired defaulted guaranteed loans receivable:		
1601 Direct loans, gross	1,056	973
1602 Interest receivable	65	59
1604 Direct loans and interest receivable, net	1,121	1,032
1699 Value of assets related to direct loans	1,121	1,032
1999 Total assets	1,581	1,421
LIABILITIES:		
Federal liabilities:		
2102 Interest payable	128	118
2104 Resources payable to Treasury	1,055	972
2999 Total liabilities	1,183	1,090
NET POSITION:		
3100 Appropriated capital	404	338
3300 Cumulative results of operations	-6	-7
3999 Total net position	398	331
4999 Total liabilities and net position	1,581	1,421

Credit accounts:

**INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT
(INCLUDING TRANSFER OF FUNDS)**

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-13a), **[\$4,000,000] \$5,940,000**, 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, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed **[\$116,276,000] \$251,000,000**, to remain available until committed.

In addition, for administrative expenses to carry out the guaranteed loan program, up to \$247,500 from amounts in the first paragraph which shall be transferred to and merged with the appropriation for "Salaries and Expenses". (*Department of Housing and Urban Development Appropriations Act, 2006.*)

Program and Financing (in millions of dollars)

Identification code 86-0223-0-1-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.02 Guaranteed loan subsidy	4	2	6
10.00 Total new obligations (object class 41.0)	4	2	6
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	36	4	6
22.00 New budget authority (gross)	-28	4	6
23.90 Total budgetary resources available for obligation	8	8	12
23.95 Total new obligations	-4	-2	-6
24.40 Unobligated balance carried forward, end of year	4	6	6
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	5	4	6

40.36 Unobligated balance permanently reduced	-33		
43.00 Appropriation (total discretionary)	-28	4	6
Change in obligated balances:			
72.40 Obligated balance, start of year	1	3	3
73.10 Total new obligations	4	2	6
73.20 Total outlays (gross)	-2	-2	-7
74.40 Obligated balance, end of year	3	3	2
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	2	1	1
86.93 Outlays from discretionary balances		1	6
87.00 Total outlays (gross)	2	2	7
Net budget authority and outlays:			
89.00 Budget authority	-28	4	6
90.00 Outlays	2	2	7

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

Identification code 86-0223-0-1-371	2005 actual	2006 est.	2007 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Indian Housing Loan Guarantee	103	116	251
215901 Total loan guarantee levels	103	116	251
Guaranteed loan subsidy (in percent):			
232001 Indian Housing Loan Guarantee	2.58	2.42	2.35
232901 Weighted average subsidy rate	2.58	2.42	2.35
Guaranteed loan subsidy budget authority:			
233001 Indian Housing Loan Guarantee	3	2	6
233901 Total subsidy budget authority	3	2	6
Guaranteed loan subsidy outlays:			
234001 Indian Housing Loan Guarantee	2	2	2
234901 Total subsidy outlays	2	2	2
Guaranteed loan downward reestimate subsidy budget authority:			
237001 Downward reestimate subsidy budget authority	-4	-1	
237901 Total downward reestimate subsidy budget authority	-4	-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.

INDIAN HOUSING LOAN GUARANTEE FUND FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4104-0-3-604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Default Claims			1
00.02 Loan Guarantee Subsidy		4	5
00.91 Direct Program by Activities		4	6
08.02 Downward Re-estimate	3	1	
08.04 Downward Re-estimate Interest	1		
08.91 Direct Program by Activities	4	1	
10.00 Total new obligations	4	5	6
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	9	10	7

22.00	New financing authority (gross)	5	2	2
23.90	Total budgetary resources available for obligation	14	12	9
23.95	Total new obligations	-4	-5	-6
24.40	Unobligated balance carried forward, end of year	10	7	3
New financing authority (gross), detail:				
Spending authority from offsetting collections:				
Discretionary:				
68.00	Federal sources	3	2	2
68.10	Change in uncollected customer payments from Federal sources (unexpired)	2		
68.90	Spending authority from offsetting collections (total discretionary)	5	2	2
Change in obligated balances:				
72.40	Obligated balance, start of year	-1	-3	2
73.10	Total new obligations	4	5	6
73.20	Total financing disbursements (gross)	-4		
74.00	Change in uncollected customer payments from Federal sources (unexpired)	-2		
74.40	Obligated balance, end of year	-3	2	8
87.00	Total financing disbursements (gross)	4		
Offsets:				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Federal sources: Payments from program account	-2	-2	-2
88.40	Non-Federal sources	-1		
88.90	Total, offsetting collections (cash)	-3	-2	-2
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	1	-2	-2

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4104-0-3-604	2005 actual	2006 est.	2007 est.	
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders	145	99	104
2121	Limitation available from carry-forward	750	169	152
2142	Uncommitted loan guarantee limitation	-623		
2143	Uncommitted limitation carried forward	-169	-152	-5
2150	Total guaranteed loan commitments	103	116	251
2199	Guaranteed amount of guaranteed loan commitments	103	116	251
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	126	192	200
2231	Disbursements of new guaranteed loans	76	26	26
2251	Repayments and prepayments	-10	-14	-14
2263	Adjustments: Terminations for default that result in claim payments		-4	-4
2290	Outstanding, end of year	192	200	208
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	192	143	143

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	2004 actual	2005 actual	
ASSETS:			
1101	Federal assets: Fund balances with Treasury	8	7
1999	Total assets	8	7
LIABILITIES:			
2204	Non-Federal liabilities: Liabilities for loan guarantees	8	7
2999	Total liabilities	8	7
4999	Total liabilities and net position	8	7

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

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-13b), **[\$900,000] \$1,010,000**, 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, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed **[\$35,714,290] \$43,000,000**, to remain available until committed.

In addition, for administrative expenses to carry out the guaranteed loan program, up to **[\$35,000] \$34,650** from amounts in the first paragraph which shall be transferred to and merged with the appropriation for "Salaries and Expenses". (*Department of Housing and Urban Development Appropriations Act, 2006.*)

Program and Financing (in millions of dollars)

Identification code 86-0233-0-1-371	2005 actual	2006 est.	2007 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	3	4	4
22.00	New budget authority (gross)	1	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
Change in obligated balances:				
73.10	Total new obligations	1	1	
73.20	Total outlays (gross)	-1	-1	
Outlays (gross), detail:				
86.93	Outlays from discretionary balances	1	1	
Net budget authority and outlays:				
89.00	Budget authority	1	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	2005 actual	2006 est.	2007 est.	
Guaranteed loan levels supportable by subsidy budget authority:				
215001	Native Hawaiian Housing	2	36	43
215901	Total loan guarantee levels	2	36	43
Guaranteed loan subsidy (in percent):				
232001	Native Hawaiian Housing	2.58	2.42	2.35
232901	Weighted average subsidy rate	0.00	0.00	0.00
Guaranteed loan subsidy budget authority:				
233001	Native Hawaiian Housing		1	1

Credit accounts—Continued

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND PROGRAM
ACCOUNT—Continued

(INCLUDING TRANSFER OF FUNDS)—Continued

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

Identification code 86-0233-0-1-371	2005 actual	2006 est.	2007 est.
233901 Total subsidy budget authority		1	1
Guaranteed loan subsidy outlays:			
234001 Native Hawaiian Housing		1	1
234901 Total subsidy outlays		1	1
Administrative expense data:			
351001 Budget authority			
358001 Outlays from balances			
359001 Outlays from new authority			

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. 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 financing 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	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.02 Direct Program Activity			1
10.00 Total new obligations			1
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year			1
22.00 New financing authority (gross)		1	1
23.90 Total budgetary resources available for obligation		1	2
23.95 Total new obligations			-1
24.40 Unobligated balance carried forward, end of year		1	1
New financing authority (gross), detail:			
Discretionary:			
68.00 Spending authority from offsetting collections (gross): Federal sources		1	1
Change in obligated balances:			
73.10 Total new obligations			1
74.40 Obligated balance, end of year			1
Offsets:			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from: Federal sources: Payments from program account		-1	-1
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements		-1	-1

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4351-0-3-371	2005 actual	2006 est.	2007 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	37	35	35
2121 Limitation available from carry-forward	120	155	154
2143 Uncommitted limitation carried forward	-155	-154	-146
2150 Total guaranteed loan commitments	2	36	43
2199 Guaranteed amount of guaranteed loan commitments	2	36	43
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year		2	1
2231 Disbursements of new guaranteed loans	2		1
2251 Repayments and prepayments		-1	-1
2290 Outstanding, end of year	2	1	1
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	2	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 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. 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	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Default Claims		1	2
08.02 Downward Reestimate		2	
10.00 Total new obligations		3	2
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	10	15	15
22.00 New financing authority (gross)	5	3	2
23.90 Total budgetary resources available for obligation	15	18	17
23.95 Total new obligations		-3	-2
24.40 Unobligated balance carried forward, end of year	15	15	15
New financing authority (gross), detail:			
Mandatory:			
69.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)	5	3	2
Change in obligated balances:			
72.40 Obligated balance, start of year			3
73.10 Total new obligations		3	2
74.40 Obligated balance, end of year		3	5
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources		-1	-2
88.00 Upward Reestimate	-5	-2	
88.90 Total, offsetting collections (cash)	-5	-3	-2
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	-5	-3	-2

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4244-0-3-604	2005 actual	2006 est.	2007 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	18	18	15
2121 Limitation available from carry-forward	382	30	8
2142 Uncommitted loan guarantee limitation	-366	-30	
2143 Uncommitted limitation carried forward	-30	-8	-8
2150 Total guaranteed loan commitments	4	10	15
2199 Guaranteed amount of guaranteed loan commitments	4	2	2
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	77	80	84
2231 Disbursements of new guaranteed loans	4	10	15
2251 Repayments and prepayments	-1	-5	-5
2263 Adjustments: Terminations for default that result in claim payments		-1	-2
2290 Outstanding, end of year	80	84	92
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	80	84	92

Balance Sheet (in millions of dollars)

Identification code 86-4244-0-3-604	2004 actual	2005 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	10	15
1999 Total assets	10	15
LIABILITIES:		
2204 Non-Federal liabilities: Liabilities for loan guarantees	10	15
2999 Total liabilities	10	15
4999 Total liabilities and net position	10	15

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.

COMMUNITY PLANNING AND DEVELOPMENT

Federal Funds

General and special funds:

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

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.), [\$289,000,000] \$300,100,000, to remain available until September 30, [2007] 2008, except that amounts allocated pursuant to section 854(c)(3) of such Act shall remain available until September 30, [2008] 2009: *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 up to [\$1,500,000] \$1,485,000 of the funds under this heading for training, oversight, and technical assistance activities and \$1,485,000 shall be transferred to the Working Capital Fund. (Department of Housing and Urban Development Appropriations Act, 2006.)

Program and Financing (in millions of dollars)

Identification code 86-0308-0-1-604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Housing for Persons with HIV/AIDS	286	309	300

10.00	Total new obligations (object class 41.0)	286	309	300
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	103	100	77
22.00	New budget authority (gross)	282	286	300
22.10	Resources available from recoveries of prior year obligations	1		
23.90	Total budgetary resources available for obligation	386	386	377
23.95	Total new obligations	-286	-309	-300
24.40	Unobligated balance carried forward, end of year	100	77	77
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	284	289	300
40.33	Appropriation permanently reduced (P.L. 109-148)		-3	
40.35	Appropriation permanently reduced	-2		
43.00	Appropriation (total discretionary)	282	286	300
Change in obligated balances:				
72.40	Obligated balance, start of year	463	468	493
73.10	Total new obligations	286	309	300
73.20	Total outlays (gross)	-280	-284	-289
73.45	Recoveries of prior year obligations	-1		
74.40	Obligated balance, end of year	468	493	504
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	1	11	12
86.93	Outlays from discretionary balances	279	273	277
87.00	Total outlays (gross)	280	284	289
Net budget authority and outlays:				
89.00	Budget authority	282	286	300
90.00	Outlays	280	284	289

The Housing Opportunities for Persons with AIDS 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.

Up to \$1.5 million is used for technical assistance to grantees and project sponsors to strengthen management of programs and ensure responsiveness in meeting client needs. States and metropolitan areas receive 90 percent of the remaining funds by formula based on the number of cases of AIDS and, for metropolitan areas, the incidence of AIDS in that area. The final 10 percent is awarded competitively to States, local governments, and private nonprofit entities, including faith-based organizations, for projects of national significance with priority for renewal of the projects providing permanent supportive housing. Awards are also made to States and local governments for projects in jurisdictions which do not qualify for a formula allocation. A legislative proposal to amend the HOPWA authorization language will be submitted allowing HUD the opportunity to update the current program formula. Whereas the current formula distributes formula grant resources by the cumulative number of AIDS cases, the revised formula will account for the present number of people living with AIDS as well as the need for housing in that jurisdiction. The requested funding for 2007 will support approximately 75,000 housing units for persons with HIV/AIDS and their families.

COMMUNITY DEVELOPMENT FUND
(INCLUDING TRANSFERS OF FUNDS)
(INCLUDING RECISSION)

For assistance to units of State and local government, and to other entities, for economic and community development activities, and for other purposes, [\$4,220,000,000] \$3,032,000,000, to remain available until September 30, [2008] 2009, unless otherwise specified: *Provided*, That of the amount provided, [\$3,748,400,000] \$2,974,580,000 is for carrying out the community development block grant program under title I of the Housing and Community Development Act of

General and special funds—Continued

COMMUNITY DEVELOPMENT FUND—Continued

(INCLUDING RECISSION)—Continued

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 \$1,600,000 shall be transferred to the Working Capital Fund: *Provided further*, That **[\$60,000,000]** \$57,420,000 shall be for grants to *federally-recognized* Indian tribes notwithstanding section 106(a)(1) of such Act, of which, notwithstanding any other provision of law (including section 305 of this Act), up to **[\$4,000,000]** \$3,960,000 may be used for emergencies that constitute imminent threats to health and safety; \$50,000,000 shall be available for YouthBuild program activities authorized by subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, as amended, and such activities shall be an eligible activity with respect to any funds made available under this heading: *Provided*, That local YouthBuild programs that demonstrate an ability to leverage private and nonprofit funding shall be given a priority for YouthBuild funding: *Provided further*, That no more than eight percent of any grant award under the YouthBuild program may be used for administrative costs: *Provided further*, That of the amount made available for YouthBuild not less than \$4,000,000 is for grants to establish YouthBuild programs in underserved and rural areas and \$1,000,000 is to be made available for a grant to YouthBuild USA for capacity building for community development and affordable housing activities as specified in section 4 of the HUD Demonstration Act of 1993, as amended].

[Of the amount made available under this heading, \$310,000,000 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 statement of managers 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 2004, 2005 and 2006, 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, \$50,000,000 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 statement of managers accompanying this Act.]

Of the unobligated balances remaining from funds appropriated in fiscal year 2006 under the heading, “Community Development Fund,” for grants for the Economic Development Initiative (EDI), \$306,900,000 is cancelled.

Of the unobligated balances remaining from funds appropriated in fiscal year 2006 under the heading, “Community Development Fund,” for grants for neighborhood initiatives, \$49,500,000 is cancelled.

[The referenced statement of the managers under the heading “Community Development Fund” in title II of division G of Public Law 108–199 is deemed to be amended with respect to item number 181 striking “Volusia County” and inserting “Lively Arts Center in Volusia County”.]

[The referenced statement of the managers under the heading “Community Development Fund” in title II of division G of Public Law 108–199 is deemed to be amended with respect to item number 216 by striking “for construction” and inserting “for planning, design, and engineering”.]

[The referenced statement of the managers under this heading in Public Law 108–447 is deemed to be amended with respect to item number 369 by striking “for the construction of HomeAid America temporary homeless shelters in Costa Mesa, California” and inserting “for the construction of shelters for the temporarily homeless in New York City, New York”.]

[The referenced statement of the managers under this heading in Public Law 108–447 is deemed to be amended with respect to

item number 502 by striking “for acquisition of” and inserting “for renovations of”.]

[The referenced statement of the managers under this heading in Public Law 108–447 is deemed to be amended with respect to item number 405 by striking “Wilmington Senior Center” and inserting “buildings and facilities associated with the Wilmington Senior Housing Center”.]

[The referenced statement of the managers under this heading in Public Law 108–447 is deemed to be amended with respect to item number 674 by striking “City of Big Island, Virginia for the Sedalia Center restoration” and inserting “to restore the Sedalia Center in Bedford County, Virginia”.]

[The referenced statement of the managers under this heading in Public Law 108–447 is deemed to be amended with respect to item number 469 by striking “to the City of Havana, Illinois” and inserting “Havana, Illinois, Rural Fire District”.]

[The referenced statement of the managers under this heading in Public Law 108–447 is deemed to be amended with respect to item number 554 by striking “\$250,000 to the Town of Monroe, New York for construction of the Monroe Free Library” and inserting “\$150,000 for the Town of Lewisboro, New York for infrastructure improvements for the Onatru Farm Community Center and \$100,000 for the Town of Poughkeepsie, New York for streetscape and related improvements in the Arlington Business District”.]

[The referenced statement of the managers under this heading in Public Law 108–447 is deemed to be amended with respect to item number 445 by striking “City of St. Petersburg, Florida” and inserting “Catholic Charities, Diocese of St. Petersburg, Florida”.]

[The referenced statement of the managers under this heading in Public Law 108–199 is deemed to be amended with respect to item number 103 for the Mission Preservation Foundation in San Juan Capistrano, California by striking “for the Great Stone Church restoration project” and inserting “to construct and install environment controls and security measures”.]

[The referenced statement of the managers under this heading in division A of the Emergency Appropriations Act for Defense, Global War on Terror, and Tsunami Relief, 2005 (Public Law 109–13) is amended—

(1) in section 6070 (119 Stat. 299), by striking paragraph (1); and

(2) in section 6071 (119 Stat. 299), by striking paragraph (1).

The referenced statement of the managers under the heading “Community Development Fund” in title II of division I of Public Law 108–447 is deemed to be amended with respect to item number 83 by striking “construction” and inserting “planning, design, engineering, and construction”.]

[The referenced statement of the managers under the heading “Community Development Fund” in title II of division G of Public Law 108–199 is deemed to be amended with respect to item number 216 by striking “for construction” and inserting “for planning, design, and engineering”.]

[The referenced statement of the managers under the heading “Community Development Fund” in title II of division I of Public Law 108–447 is deemed to be amended with respect to item 9 by striking “for costs associated with the construction” and inserting “to be used for the planning and design”.]

[The referenced statement of the managers under the heading “Community Development Fund” in title II of division I of Public Law 108–447 is deemed to be amended with respect to item 260 by adding before the period “including \$120,000 for property renovation at 754 Broad Street for the Family Center emergency shelter for families and children”.]

[The referenced statement of the managers accompanying Public Law 106–74 is deemed to be amended by inserting on page 113 “, of which \$47,500 may be used for physical improvements at the South Providence Development Corporation business incubator facility or CleanScape, including associated project management costs” after “\$100,000 for the South Providence Development Corporation in Providence, Rhode Island for a child care facility”.]

[The referenced statement of the managers under the heading “Community Development Fund” in title II of division I of Public Law 108–447 is deemed to be amended with respect to item number 30 by striking “City of San Francisco” and inserting “San Francisco Museum and Historical Society”.]

[The referenced statement of the managers under the heading “Community Development Fund” in title II of division G of Public Law 108–199 is deemed to be amended with respect to item number

122 by striking “City of San Francisco” and inserting “San Francisco Museum and Historical Society”.]

[The referenced statement of the managers under this heading in Public Law 108–199 is deemed to be amended with respect to item number 855 by striking “the Skagit County Children’s Museum in Mount Vernon, Washington for facilities improvements and renovation” and inserting “the Children’s Museum of Skagit County in Mount Vernon, Washington to purchase and renovate a building”.]

[The referenced statement of the managers under this heading in Public Law 108–447 is deemed to be amended with respect to item number 1027 by striking “planning and design” and inserting “planning, design, construction and buildout”.]

[The referenced statement of the managers under this heading in Public Law 108–447 is deemed to be amended with respect to item number 946 by striking “capital” and inserting “planning, design, engineering, and construction”.]

[The referenced statement of the managers under this heading in Public Law 108–447 is deemed to be amended with respect to item number 731 by striking “rehabilitation and buildout” and inserting “planning, evaluation, design, engineering and construction”.] (Department of Housing and Urban Development Appropriations Act, 2006.)

[For an additional amount for the “Community development fund”, for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure in the most impacted and distressed areas related to the consequences of hurricanes in the Gulf of Mexico in 2005 in States for which the President declared a major disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) in conjunction with Hurricane Katrina, Rita, or Wilma, \$11,500,000,000, to remain available until expended, for activities authorized under title I of the Housing and Community Development Act of 1974 (Public Law 93–383): *Provided*, That no State shall receive more than 54 percent of the amount provided under this heading: *Provided further*, That funds provided under this heading shall be administered through an entity or entities designated by the Governor of each State: *Provided further*, That such funds may not be used for activities reimbursable by or for which funds are made available by the Federal Emergency Management Agency or the Army Corps of Engineers: *Provided further*, That funds allocated under this heading shall not adversely affect the amount of any formula assistance received by a State under this heading: *Provided further*, That each State may use up to five percent of its allocation for administrative costs: *Provided further*, That Louisiana and Mississippi may each use up to \$20,000,000 (with up to \$400,000 each for technical assistance) from funds made available under this heading for LISC and the Enterprise Foundation for activities authorized by section 4 of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note), as in effect immediately before June 12, 1997, and for activities authorized under section 11 of the Housing Opportunity Program Extension Act of 1996, including demolition, site clearance and remediation, and program administration: *Provided further*, That in administering the funds under this heading, the Secretary of Housing and Urban Development shall waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds or guarantees (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a request by the State that such waiver is required to facilitate the use of such funds or guarantees, and a finding by the Secretary that such waiver would not be inconsistent with the overall purpose of the statute, as modified: *Provided further*, That the Secretary may waive the requirement that activities benefit persons of low and moderate income, except that at least 50 percent of the funds made available under this heading must benefit primarily persons of low and moderate income unless the Secretary otherwise makes a finding of compelling need: *Provided further*, That the Secretary shall publish in the Federal Register any waiver of any statute or regulation that the Secretary administers pursuant to title I of the Housing and Community Development Act of 1974 no later than 5 days before the effective date of such waiver: *Provided further*, That every waiver made by the Secretary must be reconsidered according to the three previous provisos on the two-year anniversary of the day the Secretary published the waiver in the Federal Register: *Provided further*, That prior to the obligation of funds each State shall submit a plan to the Secretary detailing the proposed use of all funds, including criteria for eligibility and how the use of these funds will address long-term recovery and restoration of infrastructure: *Provided further*,

That each State will report quarterly to the Committees on Appropriations on all awards and uses of funds made available under this heading, including specifically identifying all awards of sole-source contracts and the rationale for making the award on a sole-source basis: *Provided further*, That the Secretary shall notify the Committees on Appropriations on any proposed allocation of any funds and any related waivers made pursuant to these provisions under this heading no later than 5 days before such waiver is made: *Provided further*, That the Secretary shall establish procedures to prevent recipients from receiving any duplication of benefits and report quarterly to the Committees on Appropriations with regard to all steps taken to prevent fraud and abuse of funds made available under this heading including duplication of benefits: *Provided further*, That the amounts provided under this heading are designated as an emergency requirement pursuant to section 402 of H. Con. Res. 95 (109th Congress), the concurrent resolution on the budget for fiscal year 2006.] (Emergency Supplemental Appropriations Act to Address Hurricanes in the Gulf of Mexico and Pandemic Influenza, 2006.)

Program and Financing (in millions of dollars)

Identification code 86–0162–0–1–451	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Community Development Formula Grants	4,227	3,594	2,769
00.02 Working Capital Fund	3	2	.....
00.03 Housing Assistance Council	3	.....	.....
00.04 Indian Tribes	71	132	57
00.05 Special Purpose Grants	40	43	.....
00.06 Youthbuild	64	64	50
00.07 Self Help Homeownership Opportunity Program	27	25	.....
00.08 Capacity Building	69	.....	.....
00.09 Economic Development Initiative Grants	290	298	.....
00.10 Neighborhood Initiative Demonstration	21	39	.....
00.11 National American Indian Housing Council	2	.....	.....
00.12 National Housing Development Corporation	10	.....	.....
00.13 National Council of La Raza	5	5	.....
00.14 Disaster Assistance	132	11,520	.....
00.15 Native Hawaiian Block Grants	9	9	.....
00.16 Special Olympics	2	.....	.....
00.17 Hudson River Park Trust Grant .....	.....	31	.....
00.18 Gilman Institute Grant	1	.....	.....
10.00 Total new obligations (object class 41.0)	4,976	15,762	2,876
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1,305	1,181	1,100
22.00 New budget authority (gross)	4,852	15,678	2,676
22.10 Resources available from recoveries of prior year obligations	1	.....	.....
22.22 Unobligated balance transferred from other accounts	2	3	.....
23.90 Total budgetary resources available for obligation	6,160	16,862	3,776
23.95 Total new obligations	–4,976	–15,762	–2,876
23.98 Unobligated balance expiring or withdrawn	–3	.....	.....
24.40 Unobligated balance carried forward, end of year	1,181	1,100	900
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	4,891	15,720	3,032
40.33 Appropriation permanently reduced (P.L. 109–148) .....	.....	–42	.....
40.35 Appropriation permanently reduced	–38	.....	.....
40.36 Unobligated balance permanently reduced .....	.....	.....	–356
41.00 Transferred to other accounts	–1	.....	.....
43.00 Appropriation (total discretionary)	4,852	15,678	2,676
Change in obligated balances:			
72.40 Obligated balance, start of year	10,694	10,659	19,515
73.10 Total new obligations	4,976	15,762	2,876
73.20 Total outlays (gross)	–4,987	–6,906	–6,787
73.40 Adjustments in expired accounts (net)	–23	.....	.....
73.45 Recoveries of prior year obligations	–1	.....	.....
74.40 Obligated balance, end of year	10,659	19,515	15,604
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	68	2,005	54
86.93 Outlays from discretionary balances	4,919	4,901	6,733
87.00 Total outlays (gross)	4,987	6,906	6,787

General and special funds—Continued

COMMUNITY DEVELOPMENT FUND—Continued

(INCLUDING RECISSION)—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 86-0162-0-1-451	2005 actual	2006 est.	2007 est.
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	- 2		
Against gross budget authority only:			
88.96 Portion of offsetting collections (cash) credited to expired accounts	2		
Net budget authority and outlays:			
89.00 Budget authority	4,852	15,678	2,676
90.00 Outlays	4,984	6,906	6,787

To implement the goals of the Strengthening America's Communities Initiative (SACI), the Department of Housing and Urban Development will work in partnership with the Department of Commerce and other agencies to establish and apply a common set of performance goals and measures for all Federal community and economic development programs. The programs will focus on clear goals and expected results, designed to achieve stronger performance, and targeted to communities unable to meet their own needs.

In HUD, this initiative proposes to consolidate and reform the Community Development Block Grant (CDBG) program and other set-asides within the Community Development Fund and Self-Help Homeownership Opportunity Program. The new program would be designed with a bonus fund component, a new allocation formula to better target funds to needs, and other reforms to achieve greater results and focus on communities most in need of assistance, as noted in the PART analysis. Legislation to authorize these reforms will be transmitted early in 2006.

Some of the set-asides formerly funded under the Community Development Fund will continue to be funded separately. The Self-Help Homeownership Opportunity Program (SHOP) is proposed for funding at \$40 million as a separate program. The Native Hawaiian Housing Block Grant program is proposed for funding at \$6 million as a separate program within Public and Indian Housing. The budget also proposes \$29 million within the Research and Technology Account for University Programs that have been and will continue to be administered by the Office of Policy Development and Research. The Indian Community Development Block Grant program will continue to be funded in this account at \$57 million.

The 2007 Budget also proposes to transfer the Youthbuild program from HUD to the Department of Labor, as recommended by the White House Task Force on Disadvantaged Youth, to allow for greater coordination of the program with Job Corps and other employment and training programs. The 2007 Budget includes \$50 million in funding for this program. Youthbuild provides grants to local organizations to provide education and training to disadvantaged youth age 16-24. In addition to participating in classroom training, youth learn construction skills by helping to build affordable housing.

EMPOWERMENT ZONES/ENTERPRISE COMMUNITIES/RENEWAL COMMUNITIES

Program and Financing (in millions of dollars)

Identification code 86-0315-0-1-451	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Develop urban sites	10		
10.00 Total new obligations (object class 41.0)	10		

Budgetary resources available for obligation:			
22.00 New budget authority (gross)	10		
23.95 Total new obligations	- 10		

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	10		

Change in obligated balances:

72.40 Obligated balance, start of year	171	133	88
73.10 Total new obligations	10		
73.20 Total outlays (gross)	- 48	- 45	- 43
74.40 Obligated balance, end of year	133	88	45

Outlays (gross), detail:

86.93 Outlays from discretionary balances	48	45	43
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Net budget authority and outlays:

89.00 Budget authority	10		
90.00 Outlays	48	45	43

To implement the goals of the Strengthening America's Communities Initiative (SACI), the Department of Housing and Urban Development will work in partnership with the Department of Commerce and other agencies to establish and apply a common set of performance goals and measures for all Federal community and economic development programs. In HUD, this initiative consolidates a number of duplicative programs into a reformed Community Development Block Grant program focused on clear goals and expected results, designed to achieve stronger performance, and targeted to communities unable to meet their own needs.

The Empowerment Zone/Enterprise Communities/Renewal Communities initiative helps revitalize distressed neighborhoods by attracting business development and providing employment opportunities to residents of high poverty urban areas. Program principles include a strategic vision for change, a community based partnership, providing economic opportunity and sustainable community development.

The Community Renewal and Tax Relief Act of 2000 (P.L. 106-554) authorized the designation of a third round of 7 urban and 2 rural empowerment zones and 40 competitively selected Renewal Communities administered by HUD.

BROWNFIELDS REDEVELOPMENT

[(INCLUDING RECISSION OF FUNDS)]

[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, 2007: *Provided*, That \$10,000,000 shall be rescinded from unobligated balances from prior years appropriations under this heading and, to the extent there are insufficient balances, any additional rescission amounts shall be rescinded from funds appropriated under this heading for fiscal year 2006.] (*Department of Housing and Urban Development Appropriations Act, 2006.*)

Program and Financing (in millions of dollars)

Identification code 86-0314-0-1-451	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Cleanup and develop contaminated sites	25	24	
10.00 Total new obligations (object class 41.0)	25	24	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	25	24	
22.00 New budget authority (gross)	24		
23.90 Total budgetary resources available for obligation	49	24	
23.95 Total new obligations	- 25	- 24	
24.40 Unobligated balance carried forward, end of year	24		

New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation	24	10
40.36	Unobligated balance permanently reduced		-10
43.00	Appropriation (total discretionary)	24	
Change in obligated balances:			
72.40	Obligated balance, start of year	114	127
73.10	Total new obligations	25	24
73.20	Total outlays (gross)	-12	-12
74.40	Obligated balance, end of year	127	139
Outlays (gross), detail:			
86.93	Outlays from discretionary balances	12	12
Net budget authority and outlays:			
89.00	Budget authority	24	
90.00	Outlays	12	12

To implement the goals of the Strengthening America's Communities Initiative (SACI), the Department of Housing and Urban Development will work in partnership with the Department of Commerce and other agencies to establish and apply a common set of performance goals and measures for all Federal community and economic development programs. In HUD, this initiative consolidates a number of duplicative programs into a reformed Community Development Block Grant program focused on clear goals and expected results, designed to achieve stronger performance, and targeted to communities unable to meet their own needs.

The Brownfields Economic Development Initiative (BEDI) is a competitive grant program to stimulate and promote economic and community development. Brownfields are abandoned, idled, and underused industrial and commercial facilities and land where expansion and redevelopment is burdened by real or potential environmental contamination.

Grants are made in accordance with section 108(q) selection criteria and such other criteria deemed appropriate for brownfield projects, including the extent to which an applicant is currently operating a brownfields program and is working with appropriate environmental regulatory agencies.

YOUTHBUILD PROGRAM

Program and Financing (in millions of dollars)

Identification code 86-0219-0-1-604	2005 actual	2006 est.	2007 est.
Change in obligated balances:			
72.40	Obligated balance, start of year	1	
74.40	Obligated balance, end of year		
Net budget authority and outlays:			
89.00	Budget authority		
90.00	Outlays		

Youthbuild is a program targeted to 16- to 24-year old high school dropouts and provides disadvantaged young adults with education and employment skills through rehabilitating and constructing housing for low-income and homeless people.

The Youthbuild program has been funded as a set-aside within the CDBG program since 1996. The 2007 Budget proposes to fund the Youthbuild program within the U.S. Department of Labor to allow for greater coordination with other employment and training programs. The obligated balance and outlays represent activity in the separate Youthbuild account.

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, **[\$1,750,000,000] \$1,816,640,000**, to remain available until September 30, **[2008] 2009: Provided**, That of the total amount provided in this paragraph, **[up to \$42,000,000 shall be available for housing counseling under section 106 of the Housing and Urban Development Act of 1968, and \$1,000,000] \$3,465,000** shall be transferred to the Working Capital Fund: *Provided further, That up to \$9,900,000 shall be available for technical assistance.*

In addition to amounts otherwise made available under this heading, **[\$25,000,000] \$100,000,000**, to remain available until September 30, **[2008] 2009**, for assistance to homebuyers as authorized under title I of the American Dream Downpayment Act. (*Department of Housing and Urban Development Appropriations Act, 2006.*)

Program and Financing (in millions of dollars)

Identification code 86-0205-0-1-604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01	HOME grants	2,035	1,893
10.00	Total new obligations (object class 41.0)	2,035	1,893
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	447	318
22.00	New budget authority (gross)	1,900	1,757
22.10	Resources available from recoveries of prior year obligations	6	
23.90	Total budgetary resources available for obligation	2,353	2,075
23.95	Total new obligations	-2,035	-1,893
24.40	Unobligated balance carried forward, end of year	318	182
New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation	1,915	1,775
40.33	Appropriation permanently reduced (P.L. 109-148)		-18
40.35	Appropriation permanently reduced	-15	
43.00	Appropriation (total discretionary)	1,900	1,757
Change in obligated balances:			
72.40	Obligated balance, start of year	5,247	5,557
73.10	Total new obligations	2,035	1,893
73.20	Total outlays (gross)	-1,718	-1,774
73.40	Adjustments in expired accounts (net)	-1	
73.45	Recoveries of prior year obligations	-6	
74.40	Obligated balance, end of year	5,557	5,676
Outlays (gross), detail:			
86.90	Outlays from new discretionary authority	13	35
86.93	Outlays from discretionary balances	1,705	1,739
87.00	Total outlays (gross)	1,718	1,774
Net budget authority and outlays:			
89.00	Budget authority	1,900	1,757
90.00	Outlays	1,718	1,774

The HOME Investment Partnerships Program is authorized by the National Affordable Housing Act (P.L. 101-625). This program provides assistance to States and units of local government, through formula allocation, expanding the supply and affordability of housing. Eligible activities include acquisition, rehabilitation, and new construction of housing and tenant-based rental assistance.

In its PART assessment, the HOME program received a Moderately Effective rating, based upon the fact that the program has a potentially significant impact on affordable housing problems, has made progress towards its annual performance goals, and demonstrates improved efficiency over time. The 2007 request supports the PART analysis and will result in the production of 83,750 units of affordable housing through new construction, rehabilitation, and/or acquisition.

General and special funds—Continued

HOME INVESTMENT PARTNERSHIPS PROGRAM—Continued

(INCLUDING TRANSFER OF FUNDS)—Continued

In addition, tenant-based rental assistance will be provided for 12,080 units.

The \$100 million American Dream Downpayment Initiative will help expand homeownership opportunities to 13,000 low-income first-time homebuyers and also support expansion of minority homeownership.

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, **[\$61,000,000]** **\$39,700,000**, to remain available until September 30, **[2008: Provided]**, That of the total amount provided in this heading **\$20,000,000** shall be made available to the Self Help Homeownership Opportunity Program as authorized under section 11 of the Housing Opportunity Program Extension Act of 1996, as amended: *Provided further*, That **\$30,000,000** shall be made available for capacity building, of which **\$26,500,000** shall be for capacity building for Community Development and affordable Housing for LISC and the Enterprise Foundation for activities authorized by section 4 of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note), as in effect immediately before June 12, 1997, and **\$3,500,000** shall be made available for capacity building activities administered by Habitat for Humanity International: *Provided further*, That **\$3,000,000** shall be made available to the Housing Assistance Council; **\$1,000,000** shall be made available to the National American Indian Housing Council; **\$4,000,000** shall be available as a grant to the Raza Development Fund of La Raza for the HOPE Fund, of which **\$500,000** is for technical assistance and fund management, and **\$3,500,000** is for investments in the HOPE Fund and financing to affiliated organizations; **\$2,000,000** shall be available as a grant to the National Housing Development Corporation for operating expenses and a program of affordable housing acquisition and rehabilitation; and **\$1,000,000** shall be made available to the Special Olympics National Organizing Committee for planning, equipment and operational expenses associated with the 2006 games in Ames, Iowa **2009: Provided**, That up to **\$990,000** shall be made available for technical assistance. (Department of Housing and Urban Development Appropriations Act, 2006.)

Program and Financing (in millions of dollars)

Identification code 86-0176-0-1-604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Self Help Housing Opportunity Program		20	40
00.02 Capacity Building		29	
00.03 National American Indian Housing Council		1	
00.04 Housing Assistance Council		3	
00.05 Special Olympics		1	
00.06 National Council of La Raza		4	
00.07 National Housing Development Corporation		2	
10.00 Total new obligations (object class 41.0)		60	40
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		60	40
23.95 Total new obligations		-60	-40
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation		61	40
40.33 Appropriation permanently reduced (P.L. 109-148)		-1	
43.00 Appropriation (total discretionary)		60	40
Change in obligated balances:			
72.40 Obligated balance, start of year			59
73.10 Total new obligations		60	40
73.20 Total outlays (gross)		-1	-20
74.40 Obligated balance, end of year		59	79
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority		1	1

86.93 Outlays from discretionary balances			19
87.00 Total outlays (gross)		1	20
Net budget authority and outlays:			
89.00 Budget authority		60	40
90.00 Outlays		1	20

Self-Help Homeownership Opportunity Program (SHOP) funds assist low-income homebuyers willing to contribute “sweat equity” toward the construction of their houses. The funds will increase nonprofit organizations’ ability to leverage funds from other sources and produce at least 2,000 new homeownership units.

In 2006, SHOP became a separate account. SHOP was previously funded as a set-aside within the Community Development Fund. Funding of \$40 million is provided for acquisition and preparation of land to assist the efforts for national and regional consortia. Of that amount, \$990,000 will be used for technical assistance.

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, **[\$1,340,000,000]** **\$1,511,240,000**, of which **[\$1,320,000,000]** **\$1,491,240,000** shall remain available until September 30, **[2008] 2009**, and of which **\$20,000,000** shall remain available until expended: *Provided*, That not less than 30 percent of funds made available, excluding amounts provided for renewals under the shelter plus care program, shall be used for permanent housing: *Provided further*, That all funds awarded for services shall be matched by 25 percent in funding by each grantee: *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 **[\$11,674,000]** **\$10,395,000** of the funds appropriated under this heading shall be available for the national homeless data analysis project and technical assistance: *Provided further*, That **[\$1,000,000]** **\$2,475,000** of the funds appropriated under this heading shall be transferred to the Working Capital Fund: *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 **[2006] 2007**. In addition, **\$24,750,000** is provided for fiscal year **2007**, to be transferred to “Training and Employment Services.” Employment and Training Administration, Department of Labor, shall be for the Prisoner Re-Entry Initiative as established under that heading. (Department of Housing and Urban Development Appropriations Act, 2006.)

Program and Financing (in millions of dollars)

Identification code 86-0192-0-1-604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Homeless assistance grants	1,427	1,502	1,637

10.00	Total new obligations (object class 41.0)	1,427	1,502	1,637
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	1,697	1,573	1,448
22.00	New budget authority (gross)	1,230	1,327	1,536
22.10	Resources available from recoveries of prior year obligations	91	50	50
22.22	Unobligated balance transferred from other accounts	11		
23.90	Total budgetary resources available for obligation	3,029	2,950	3,034
23.95	Total new obligations	-1,427	-1,502	-1,637
23.98	Unobligated balance expiring or withdrawn	-29		
24.40	Unobligated balance carried forward, end of year	1,573	1,448	1,397
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	1,251	1,340	1,536
40.33	Appropriation permanently reduced (P.L. 109-148)		-13	
40.35	Appropriation permanently reduced	-10		
40.36	Unobligated balance permanently reduced	-11		
43.00	Appropriation (total discretionary)	1,230	1,327	1,536
Change in obligated balances:				
72.40	Obligated balance, start of year	2,460	2,516	2,636
73.10	Total new obligations	1,427	1,502	1,637
73.20	Total outlays (gross)	-1,282	-1,332	-1,387
73.32	Obligated balance transferred from other accounts	14		
73.40	Adjustments in expired accounts (net)	-12		
73.45	Recoveries of prior year obligations	-91	-50	-50
74.40	Obligated balance, end of year	2,516	2,636	2,836
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	8	13	23
86.93	Outlays from discretionary balances	1,274	1,319	1,364
87.00	Total outlays (gross)	1,282	1,332	1,387
Net budget authority and outlays:				
89.00	Budget authority	1,230	1,327	1,536
90.00	Outlays	1,282	1,332	1,387

The Homeless Assistance Grants account funds the Shelter Plus Care, Supportive Housing, Emergency Shelter Grants, and Section 8 Moderate Rehabilitation Single Room Occupancy programs. These funds 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 ten-year plans. Requested funding will be available for a wide range of activities to assist homeless persons and prevent future homelessness, and will support the Department's effort to end chronic homelessness. A major emphasis will be placed on permanent housing by requiring 30 percent of funds to be used for permanent housing.

The Administration proposed legislation to combine HUD's three competitive programs—Shelter Plus Care, Supportive Housing, and Section 8 Moderate Rehabilitation Single Room Occupancy—into a single program with enough flexibility to better meet community needs. The Department continues to pursue expanded interagency efforts to meet the needs of the homeless and to accomplish the Administration's goal of ending chronic homelessness. The new consolidated program will incorporate up to \$200 million for the Samaritan Housing Initiative which will specifically address the supportive housing needs of chronically homeless individuals.

Funding is also requested for technical assistance to provide among other services, needed assistance to grantees to resolve problems that hinder successful project completion and implementation, and for homeless management information systems (HMIS) support, including the continuing operation of tracking systems required by House Report 105-610.

Funding of \$24.75 million is included for a four year Prisoner Re-Entry Initiative, involving the Departments of Jus-

tice, Labor, and Housing and Urban Development, to help individuals exiting prison make a successful transition to community life and long-term employment. Upon enactment, these funds will be transferred to the Department of Labor.

RURAL HOUSING AND ECONOMIC DEVELOPMENT

【For the Office of Rural Housing and Economic Development in the Department of Housing and Urban Development, \$17,000,000, to remain available until expended, which amount shall be competitively awarded by September 1, 2006, 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.】 (*Department of Housing and Urban Development Appropriations Act, 2006.*)

Program and Financing (in millions of dollars)

Identification code 86-0324-0-1-604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Rural Housing	25	44	
10.00 Total new obligations (object class 41.0)	25	44	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	27	27	
22.00 New budget authority (gross)	24	17	
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	52	44	
23.95 Total new obligations	-25	-44	
24.40 Unobligated balance carried forward, end of year	27		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	24	17	
Change in obligated balances:			
72.40 Obligated balance, start of year	40	40	61
73.10 Total new obligations	25	44	
73.20 Total outlays (gross)	-24	-23	-22
73.45 Recoveries of prior year obligations	-1		
74.40 Obligated balance, end of year	40	61	39
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	24	23	22
Net budget authority and outlays:			
89.00 Budget authority	24	17	
90.00 Outlays	24	23	22

To implement the goals of the Strengthening America's Communities Initiative (SACI), the Department of Housing and Urban Development will work in partnership with the Department of Commerce and other agencies to establish and apply a common set of performance goals and measures for all Federal community and economic development programs. In HUD, this initiative consolidates a number of duplicative programs into a reformed Community Development Block Grant program focused on clear goals and expected results, designed to achieve stronger performance, and targeted to communities unable to meet their own needs.

The RHED program was legislated to encourage new and innovative approaches to serve the housing and economic development needs of the nation's rural communities. Additionally, the U.S. Department of Agriculture manages a portfolio of rural housing and economic development grants programs that vastly exceed HUD's RHED program in terms of programs and services from budget to staffing.

General and special funds—Continued

URBAN DEVELOPMENT ACTION GRANTS

Program and Financing (in millions of dollars)

Identification code 86-0170-0-1-451	2005 actual	2006 est.	2007 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	7	5	2
22.21 Unobligated balance transferred to other accounts	-2	-3	
23.90 Total budgetary resources available for obligation	5	2	2
24.40 Unobligated balance carried forward, end of year	5	2	2
Change in obligated balances:			
72.40 Obligated balance, start of year	6	4	2
73.20 Total outlays (gross)	-2	-2	-2
74.40 Obligated balance, end of year	4	2	
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	2	2	2
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	2	2	2

Title I of the Housing and Community Development Act of 1974, as amended, authorized grants to distressed cities and distressed urban counties to fund economic development projects. The program was terminated in 1990.

SHELTER PLUS CARE RENEWALS

Program and Financing (in millions of dollars)

Identification code 86-0232-0-1-604	2005 actual	2006 est.	2007 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	11		
22.21 Unobligated balance transferred to other accounts	-11		
Change in obligated balances:			
72.40 Obligated balance, start of year	14		
73.31 Obligated balance transferred to other accounts	-14		
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

The 2005 Appropriations Act transferred all remaining balances in this account to the Homeless Assistance Grant account where Shelter Plus Care renewals have been funded since 2003. Shelter Plus Care provides rental assistance that, when combined with social services, supplies supportive housing for homeless people with disabilities and their families. Homeless people with disabilities often need more than shelter to live independently, such as medical care or other social services. Shelter Plus Care provides for a variety of housing choices such as group homes or individual units, coupled with a range of supportive services (which are funded by other sources). Grantees must match the rental assistance with supportive services that are at least equal in value to the amount of HUD's rental assistance. The Shelter Plus Care renewal funding renews contracts on a one-year basis and provides funding to amend contracts that were previously extended but which will run out of funding.

Public enterprise funds:

REVOLVING FUND (LIQUIDATING PROGRAMS)

Program and Financing (in millions of dollars)

Identification code 86-4015-0-3-451	2005 actual	2006 est.	2007 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	13	1	
22.00 New budget authority (gross)	1	2	2
22.40 Capital transfer to general fund	-13	-2	-1
23.90 Total budgetary resources available for obligation	1	1	1
23.95 Total new obligations		-1	-1
24.40 Unobligated balance carried forward, end of year	1		
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	1	1	1
Mandatory:			
69.00 Spending authority from offsetting collections: Offsetting collections (cash)		1	1
70.00 Total new budget authority (gross)	1	2	2
Change in obligated balances:			
72.40 Obligated balance, start of year	2	2	
73.10 Total new obligations		1	1
73.20 Total outlays (gross)		-3	-3
74.40 Obligated balance, end of year	2		-2
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		2	2
86.98 Outlays from mandatory balances		1	1
87.00 Total outlays (gross)		3	3
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources		-1	-1
Net budget authority and outlays:			
89.00 Budget authority	1	1	1
90.00 Outlays		2	2

Status of Direct Loans (in millions of dollars)

Identification code 86-4015-0-3-451	2005 actual	2006 est.	2007 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	6	6	4
1251 Repayments: Repayments and prepayments		-1	-1
1263 Write-offs for default: Direct loans		-1	-1
1290 Outstanding, end of year	6	4	2

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.

Balance Sheet (in millions of dollars)

Identification code 86-4015-0-3-451	2004 actual	2005 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	15	3
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:		
1601 Direct loans, gross	6	6
1603 Allowance for estimated uncollectible loans and interest (-)	-6	-6
1604 Direct loans and interest receivable, net		

1606	Foreclosed property	2	2
1699	Value of assets related to direct loans	2	2
1999	Total assets	17	5
LIABILITIES:			
2207	Non-Federal liabilities: Other	1	1
2999	Total liabilities	1	1
NET POSITION:			
3100	Appropriated capital	3	4
3300	Cumulative results of operations	13	
3999	Total net position	16	4
4999	Total liabilities and net position	17	5

Credit accounts:

**COMMUNITY DEVELOPMENT LOAN GUARANTEES PROGRAM ACCOUNT
[(INCLUDING TRANSFER OF FUNDS)]**

[For the cost of guaranteed loans, \$3,000,000, to remain available until September 30, 2007, as authorized by section 108 of the Housing and Community Development Act of 1974, as amended: *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, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$137,500,000, notwithstanding any aggregate limitation on outstanding obligations guaranteed in section 108(k) of the Housing and Community Development Act of 1974, as amended.]

[In addition, for administrative expenses to carry out the guaranteed loan program, \$750,000 shall be transferred to and merged with the appropriation for "Salaries and expenses".] (*Department of Housing and Urban Development Appropriations Act, 2006.*)

Program and Financing (in millions of dollars)

Identification code 86-0198-0-1-451	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.02	Community development loan guarantee credit subsidy	8	6
00.07	Upward Reestimate of Loan Guarantee	2	2
00.08	Interest on reestimate		1
00.09	Administrative expense	1	1
10.00	Total new obligations	11	10
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	5	3
22.00	New budget authority (gross)	9	7
23.90	Total budgetary resources available for obligation	14	10
23.95	Total new obligations	-11	-10
24.40	Unobligated balance carried forward, end of year	3	
New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation	7	4
Mandatory:			
60.00	Appropriation	2	3
70.00	Total new budget authority (gross)	9	7
Change in obligated balances:			
72.40	Obligated balance, start of year	15	17
73.10	Total new obligations	11	10
73.20	Total outlays (gross)	-6	-8
73.40	Adjustments in expired accounts (net)	-3	
74.40	Obligated balance, end of year	17	19
Outlays (gross), detail:			
86.90	Outlays from new discretionary authority	2	1
86.93	Outlays from discretionary balances	2	4
86.97	Outlays from new mandatory authority	2	3
87.00	Total outlays (gross)	6	8
Net budget authority and outlays:			
89.00	Budget authority	9	7

90.00	Outlays	6	8	5
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Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86-0198-0-1-451	2005 actual	2006 est.	2007 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001	Community development loan guarantee levels	337	276
215901	Total loan guarantee levels	337	276
Guaranteed loan subsidy (in percent):			
232001	Community development loan guarantee levels	2.30	2.20
232901	Weighted average subsidy rate	2.30	2.20
Guaranteed loan subsidy budget authority:			
233001	Community development loan guarantee levels	8	6
233901	Total subsidy budget authority	8	6
Guaranteed loan subsidy outlays:			
234001	Community development loan guarantee levels	3	4
234901	Total subsidy outlays	3	4
Guaranteed loan upward reestimate subsidy budget authority:			
235001	Community development loan guarantee levels	2	3
235901	Total upward reestimate budget authority	2	3
Guaranteed loan downward reestimate subsidy budget authority:			
237001	Community development loan guarantee levels	-15	-6
237901	Total downward reestimate subsidy budget authority	-15	-6
Administrative expense data:			
351001	Budget authority	1	1
359001	Outlays from new authority	1	1

Guaranteed Loans.—The 2007 Budget requests no new funding for the Community Development Loan Guarantee program (Section 108). As part of a broader government-wide community and economic development reform effort, the program is proposed to be consolidated into a reformed Community Development Block Grant program designed to achieve greater results and target the most distressed communities.

Section 108 loan guarantees have been used by Community Development Block Grant entitlement and nonentitlement communities (assisted by their State) for economic development activities, acquisition of real property, rehabilitation of publicly owned real property, and housing rehabilitation.

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. No new loan activity is proposed for 2007.

Object Classification (in millions of dollars)

Identification code 86-0198-0-1-451	2005 actual	2006 est.	2007 est.
12.1	Civilian personnel benefits	1	1
33.0	Investments and loans	10	9
99.9	Total new obligations	11	10

COMMUNITY DEVELOPMENT LOAN GUARANTEES FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4096-0-3-451	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
08.02	Payment of Downward Reestimate to Receipt Account	12	5

Credit accounts—Continued**COMMUNITY DEVELOPMENT LOAN GUARANTEES FINANCING
ACCOUNT—Continued****Program and Financing (in millions of dollars)—Continued**

Identification code 86-4096-0-3-451	2005 actual	2006 est.	2007 est.
08.04 Payment of Downward Reestimate to Receipt Account (Interest)	3	1	
10.00 Total new obligations	15	6	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	90	86	87
22.00 New financing authority (gross)	11	7	9
23.90 Total budgetary resources available for obligation	101	93	96
23.95 Total new obligations	-15	-6	
24.40 Unobligated balance carried forward, end of year	86	87	96
New financing authority (gross), detail:			
Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (cash)	7	4	9
68.10 Change in uncollected customer payments from Federal sources (unexpired)	2		
68.90 Spending authority from offsetting collections (total discretionary)	9	4	9
Mandatory:			
69.00 Offsetting collections (cash)	2	3	
70.00 Total new financing authority (gross)	11	7	9
Change in obligated balances:			
72.40 Obligated balance, start of year	-15	-17	-17
73.10 Total new obligations	15	6	
73.20 Total financing disbursements (gross)	-15	-6	
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-2		
74.40 Obligated balance, end of year	-17	-17	-17
87.00 Total financing disbursements (gross)	15	6	
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal Sources: Payments from Program Account	-4	-7	-5
88.00 Federal sources: Upward reestimate (Interest)	-1		
88.25 Interest on uninvested funds	-4	-4	-4
88.90 Total, offsetting collections (cash)	-9	-11	-9
Against gross financing authority only:			
88.95 Change in receivables from program accounts	-2		
88.96 Portion of offsetting collections (cash) credited to expired accounts		4	
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	5	-5	-9

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4096-0-3-451	2005 actual	2006 est.	2007 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	275	138	
2121 Limitation available from carry-forward	223	159	
2142 Uncommitted loan guarantee limitation	-2	-21	
2143 Uncommitted limitation carried forward	-159		
2150 Total guaranteed loan commitments	337	276	
2199 Guaranteed amount of guaranteed loan commitments	337	276	
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	2,301	2,302	2,175
2231 Disbursements of new guaranteed loans	168	173	261
2251 Repayments and prepayments	-167	-300	-350

2290 Outstanding, end of year	2,302	2,175	2,086
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	2,302	2,175	2,086

Balance Sheet (in millions of dollars)

Identification code 86-4096-0-3-451	2004 actual	2005 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	75	70
1999 Total assets	75	70
LIABILITIES:		
2204 Non-Federal liabilities: Liabilities for loan guarantees	75	70
2999 Total liabilities	75	70
4999 Total liabilities and net position	75	70

Guaranteed loans.—The Community Development Loan Guarantees program has provided a mechanism for the Federal guarantee of private loans. An accompanying liquidating account shows activity for Federal Financing Bank (FFB) direct loan activity, obligated prior to July 1, 1986. The following is a status of privately financed guaranteed loan commitments made prior to 1992. No funding is requested for new section 108 loans in 2007.

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.

**COMMUNITY DEVELOPMENT LOAN GUARANTEES LIQUIDATING
ACCOUNT****Program and Financing (in millions of dollars)**

Identification code 86-4097-0-3-451	2005 actual	2006 est.	2007 est.
Change in obligated balances:			
72.40 Obligated balance, start of year	-5	-5	-5
74.40 Obligated balance, end of year	-5	-5	-5
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4097-0-3-451	2005 actual	2006 est.	2007 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	39	39	37
2251 Repayments and prepayments		-2	-2
2290 Outstanding, end of year	39	37	35
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	39	37	35

Balance Sheet (in millions of dollars)

Identification code 86-4097-0-3-451	2004 actual	2005 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	-5	-4
Investments in US securities:		
1106 Receivables, net	5	4

1999 Total assets

No funding is requested for new Section 108 loans in 2007.
Guaranteed loans.—Guaranteed loan assistance under the Community Development Loan Guarantees program was provided to eligible communities to finance economic development activities, housing rehabilitation, development or expansion of public facilities, acquisition of real property, rehabilitation of publicly owned real property, and certain related expenses. In the past, the FFB financed these guaranteed loans. The Consolidated Omnibus Budget Reconciliation Act of 1985 required private financing of all loan guarantees committed after July 1, 1986. 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 account records all cash flows to and from the Government resulting from Federal Financing Bank (FFB) direct loans for which loan guarantees were committed prior to 1992. This account is shown on a cash basis.

HOUSING PROGRAMS

Federal Funds

General and special 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, **[\$742,000,000] \$545,490,000**, to remain available until September 30, **[2009] 2010**, of which amount up to **\$443,520,000** shall be for capital advance and project-based rental assistance awards, of which amount **[\$51,600,000] up to \$59,400,000** shall be for service coordinators and the continuation of existing congregate service grants for residents of assisted housing projects, and of which amount up to **[\$24,800,000] \$24,750,000** 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 emergency capital repairs as determined by the Secretary: *Provided*, **[That of the amount made available under this heading, \$4,000,000 shall be made available to carry out section 203 of Public Law 108-186: *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 nonprofit 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 **[\$400,000] \$1,980,000** of the total amount made available under this heading shall 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. (*Department of Housing and Urban Development Appropriations Act, 2006.*)**

Program and Financing (in millions of dollars)

Identification code 86-0320-0-1-604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Elderly and disabled housing grants	1,009	742	546

10.00 Total new obligations 1,009 742 546

Budgetary resources available for obligation:

21.40 Unobligated balance carried forward, start of year	1,392	1,009	1,002
22.00 New budget authority (gross)	742	735	546
22.10 Resources available from recoveries of prior year obligations	11		
22.21 Unobligated balance transferred to other accounts	-126		
23.90 Total budgetary resources available for obligation	2,019	1,744	1,548
23.95 Total new obligations	-1,009	-742	-546
24.40 Unobligated balance carried forward, end of year	1,009	1,002	1,002

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	747	742	546
40.33 Appropriation permanently reduced (P.L. 109-148)		-7	
40.35 Appropriation permanently reduced	-6		
43.00 Appropriation (total discretionary)	741	735	546
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	1		
70.00 Total new budget authority (gross)	742	735	546

Change in obligated balances:

72.40 Obligated balance, start of year	5,367	4,266	4,133
73.10 Total new obligations	1,009	742	546
73.20 Total outlays (gross)	-903	-875	-875
73.31 Obligated balance transferred to other accounts	-1,190		
73.40 Adjustments in expired accounts (net)	-4		
73.45 Recoveries of prior year obligations	-11		
74.40 Obligated balance, end of year	4,266	4,133	3,804

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	1		
86.93 Outlays from discretionary balances	902	875	875
87.00 Total outlays (gross)	903	875	875

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	741	735	546
90.00 Outlays	903	875	875

This account consolidates funds activity under the Section 202 Housing for the Elderly Program. It funds capital grants for construction of low-income housing, operating subsidies, conversion of existing properties to assisted living, and Service coordinators.

The 2007 Budget expands this program. About 2,700 new units of housing will be constructed. All housing previously supported will continue to receive operating subsidies. In addition, congregate services and other supportive social services for residents, such as benefit counseling, are increased to \$59 million. Upgrades of developments to assisted living facilities are funded at \$25 million.

HOUSING FOR THE ELDERLY

Units eligible for payment	2005 actual 82,359	2006 est. 88,418	2007 est. 94,351
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Object Classification (in millions of dollars)

Identification code 86-0320-0-1-604	2005 actual	2006 est.	2007 est.
41.0 Direct obligations: Grants, subsidies, and contributions	1,009	741	546
99.0 Reimbursable obligations: Reimbursable obligations		1	
99.9 Total new obligations	1,009	742	546

General and special funds—Continued

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, 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, **[\$239,000,000] \$118,800,000**, to remain available until September 30, **[2009] 2010: Provided**, That **[\$400,000] \$990,000** shall be transferred to the Working Capital Fund: *Provided further*, That up to **\$30,690,000** shall be for expansion of existing levels of housing assistance, including up to **\$14,850,000** for incremental tenant-based rental assistance (which assistance is 5 years in duration) and up to **\$15,840,000** for new capital advance project rental assistance contracts: *Provided further*, That, of the amount provided under this heading **[\$78,300,000] up to \$74,745,000** 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 of the amount provided under this heading, the Secretary may make available up to **\$5,000,000** for incremental tenant-based rental assistance, as authorized by section 811 of such Act (which assistance is 5 years in duration)]; *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, 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. (*Department of Housing and Urban Development Appropriations Act, 2006.*)

Program and Financing (in millions of dollars)

Identification code 86-0237-0-1-604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Housing for the Disabled	296	239	119
10.00 Total new obligations (object class 41.0)	296	239	119
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	202	276	274
22.00 New budget authority (gross)	238	237	119
22.10 Resources available from recoveries of prior year obligations	5		
22.22 Unobligated balance transferred from other accounts	126		
23.90 Total budgetary resources available for obligation	571	513	393
23.95 Total new obligations	-296	-239	-119
24.40 Unobligated balance carried forward, end of year	276	274	274
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	478	239	119
40.33 Appropriation permanently reduced (P.L. 109-148)		-2	
40.35 Appropriation permanently reduced	-240		
43.00 Appropriation (total discretionary)	238	237	119
Change in obligated balances:			
72.40 Obligated balance, start of year	45	1,215	1,196
73.10 Total new obligations	296	239	119
73.20 Total outlays (gross)	-307	-258	-260
73.32 Obligated balance transferred from other accounts	1,190		
73.40 Adjustments in expired accounts (net)	-4		
73.45 Recoveries of prior year obligations	-5		
74.40 Obligated balance, end of year	1,215	1,196	1,055

Outlays (gross), detail:			
86.93 Outlays from discretionary balances	307	258	260
Net budget authority and outlays:			
89.00 Budget authority	238	237	119
90.00 Outlays	307	258	260

This account consolidates all activities funded under section 811, Housing for Persons With Disabilities program, including new capital grants, project rental assistance, main stream vouchers, and renewal and amendments as appropriate.

HOUSING FOR PERSONS WITH DISABILITIES

	2005 actual	2006 est.	2007 est.
Units eligible for payment	23,243	24,759	26,180

HOUSING COUNSELING ASSISTANCE

For contracts, grants, and other assistance other than loans, as authorized under section 106 of the Housing and Urban Development Act of 1968, as amended, **\$44,550,000**, to remain available until September 30, 2008: *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, and such other matters as may be appropriate to assist them in improving their housing conditions and meeting the responsibilities of tenancy or homeownership, including provisions for training and for support of voluntary agencies and services.

Program and Financing (in millions of dollars)

Identification code 86-0156-0-1-604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Housing Assistance			5
10.00 Total new obligations (object class 41.0)			5
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			45
23.95 Total new obligations			-5
24.40 Unobligated balance carried forward, end of year			40
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			45
Change in obligated balances:			
73.10 Total new obligations			5
73.20 Total outlays (gross)			-5
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			5
Net budget authority and outlays:			
89.00 Budget authority			45
90.00 Outlays			5

The Housing Counseling Assistance Program provides comprehensive housing counseling services to eligible homeowners and tenants, including home purchase, financial management, and rental counseling. This program has been funded through a set-aside under the HOME program appropriation for the past several years. However, in 2007, it is being proposed as a stand alone account.

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 the homeless. The primary objectives of the program are to expand homeownership opportunities, improve access to affordable housing and aid in HUD's commitment to bridging the gap of homeownership of minorities and other underserved groups in comparison to the National homeownership rate.

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, **[\$26,400,000]** \$24,750,000, to remain available until expended[: *Provided*, That amendments to such contracts hereafter may be for a period less than the term of the respective contracts]. (*Department of Housing and Urban Development Appropriations Act, 2006.*)

Program and Financing (in millions of dollars)

Identification code 86-0206-0-1-999	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Rent supplement	35	8	8
00.02 Homeownership and rental housing assistance (Sections 235 and 236)	1,144	18	17
10.00 Total new obligations (object class 41.0)	1,179	26	25
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1,414	491	491
22.00 New budget authority (gross)	81	26	25
22.10 Resources available from recoveries of prior year obligations	230		
22.75 Balance of contract authority withdrawn	-55		
23.90 Total budgetary resources available for obligation	1,670	517	516
23.95 Total new obligations	-1,179	-26	-25
24.40 Unobligated balance carried forward, end of year	491	491	491
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	626	578	578
40.00 Appropriation		26	25
40.49 Portion applied to liquidate contract authority	-626	-578	-578
43.00 Appropriation (total discretionary)		26	25
49.35 Contract authority permanently reduced	-675		
Mandatory:			
60.00 Appropriation	756		
70.00 Total new budget authority (gross)	81	26	25
Change in obligated balances:			
72.40 Obligated balance, start of year	6,522	6,861	6,306
73.10 Total new obligations	1,179	26	25
73.20 Total outlays (gross)	-610	-581	-553
73.45 Recoveries of prior year obligations	-230		
74.40 Obligated balance, end of year	6,861	6,306	5,778
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority		16	15
86.93 Outlays from discretionary balances	610	565	538
87.00 Total outlays (gross)	610	581	553
Net budget authority and outlays:			
89.00 Budget authority	81	26	25
90.00 Outlays	610	581	553
Memorandum (non-add) entries:			
93.01 Unobligated balance, start of year: Contract authority	1,414	491	311
93.02 Unobligated balance, end of year: Contract authority	491	311	311
93.03 Obligated balance, start of year: Contract authority	6,522	6,861	5,452
93.04 Obligated balance, end of year: Contract authority	6,861	5,452	5,452

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 17,239 units which 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.

The table below reflects the consolidated outlay total for: the Housing Certificate Fund; Tenant-Based Rental Assistance; Project-Based Rental Assistance; the Public Housing Capital Fund; and the Other Assisted Housing account.

SUMMARY OF OUTLAYS¹

	(in millions of dollars)		
	2005 actual	2006 est.	2007 est.
Subsidized housing programs, total	27,048	27,730	28,044
Low-income housing assistance (sec. 8)	23,285	24,037	24,626
Public housing capital fund	3,153	3,112	2,864
Rent supplement	55	55	55
Homeownership assistance (sec. 235)	4	4	3
Rental housing assistance (sec. 236)	544	517	489
College housing grants	6	6	6

¹ Includes outlays for contract renewals.

HOMEOWNERSHIP AND OPPORTUNITY FOR PEOPLE EVERYWHERE
GRANTS (HOPE GRANTS)

Program and Financing (in millions of dollars)

Identification code 86-0196-0-1-604	2005 actual	2006 est.	2007 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3		
22.00 New budget authority (gross)	-3		
New budget authority (gross), detail:			
Discretionary:			
40.36 Unobligated balance permanently reduced	-3		
Change in obligated balances:			
72.40 Obligated balance, start of year	12	9	6
73.20 Total outlays (gross)	-3	-3	-3
74.40 Obligated balance, end of year	9	6	3
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	3	3	3
Net budget authority and outlays:			
89.00 Budget authority	-3		
90.00 Outlays	3	3	3

The Homeownership and Opportunity for People Everywhere Program provided affordable homeownership opportunities for low-income families. Units were converted to homeownership from public and Indian housing properties in HOPE 1, from FHA-insured and Government-held multifamily properties in HOPE 2, and from Government-owned or -held single family properties in HOPE 3. 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. No funding is being requested for 2007. This schedule reflects the liquidation of prior year balances.

MANUFACTURED HOUSING FEES TRUST FUND

For necessary expenses as authorized by the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended (42 U.S.C. 5401 et seq.), up to **[\$13,000,000]** \$16,000,000, to remain available until expended, 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

General and special funds—Continued

MANUFACTURED HOUSING FEES TRUST FUND—Continued

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 [2006] 2007 so as to result in a final fiscal year [2006] 2007 appropriation from the general fund estimated at not more than \$0 and fees pursuant to such section 620 shall be modified as necessary to ensure such a final fiscal year [2006] 2007 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, subject to amounts made available under this heading, may use such collections, as well as fees collected under section 620, for necessary expenses of such Act. (Department of Housing and Urban Development Appropriations Act, 2006.)*

Program and Financing (in millions of dollars)

Identification code 86-0234-0-1-376	2005 actual	2006 est.	2007 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	13	17	17
22.00 New budget authority (gross)	4		
23.90 Total budgetary resources available for obligation	17	17	17
24.40 Unobligated balance carried forward, end of year	17	17	17
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	4		
Change in obligated balances:			
72.40 Obligated balance, start of year		-1	-5
73.20 Total outlays (gross)	-1	-4	
74.40 Obligated balance, end of year	-1	-5	-5
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	1		
86.93 Outlays from discretionary balances		4	
87.00 Total outlays (gross)	1	4	
Net budget authority and outlays:			
89.00 Budget authority	4		
90.00 Outlays		4	

INTERSTATE LAND SALES

Special and Trust Fund Receipts (in millions of dollars)

Identification code 86-5270-0-2-376	2005 actual	2006 est.	2007 est.
01.00 Balance, start of year			
01.99 Balance, start of year			
Receipts:			
02.60 Interstate land sales fund	1	1	
Appropriations:			
05.00 Interstate land sales	-1	-1	
07.99 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 86-5270-0-2-376	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Transfer to salaries and expenses	1	1	
10.00 Total new obligations (object class 25.2)	1	1	
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	1	1	

23.95 Total new obligations	-1	-1	
New budget authority (gross), detail:			
Mandatory:			
60.20 Appropriation (special fund)	1	1	
Change in obligated balances:			
73.10 Total new obligations	1	1	
73.20 Total outlays (gross)	-1	-1	
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	1	1	
Net budget authority and outlays:			
89.00 Budget authority	1	1	
90.00 Outlays	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. An estimated 600 filings in 2007 will result in \$450,000 in fees.

Public enterprise funds:

RENTAL HOUSING ASSISTANCE FUND

Program and Financing (in millions of dollars)

Identification code 86-4041-0-3-604	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
09.01 Refunds of Excess Income	1	5	5
10.00 Total new obligations	1	5	5
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	7	10	19
22.00 New budget authority (gross)	4	14	14
23.90 Total budgetary resources available for obligation	11	24	33
23.95 Total new obligations	-1	-5	-5
24.40 Unobligated balance carried forward, end of year	10	19	28
New budget authority (gross), detail:			
Mandatory:			
69.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)	4	14	14
Change in obligated balances:			
72.40 Obligated balance, start of year			-9
73.10 Total new obligations	1	5	5
73.20 Total outlays (gross)	-1	-14	-14
74.40 Obligated balance, end of year		-9	-18
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		14	14
86.98 Outlays from mandatory balances	1		
87.00 Total outlays (gross)	1	14	14
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-4	-14	-14
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-4		

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. This 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.

Object Classification (in millions of dollars)

Identification code 86-4041-0-3-604		2005 actual	2006 est.	2007 est.
25.2	Direct obligations: Other services	1		
25.2	Reimbursable obligations: Other services		5	5
99.9	Total new obligations	1	5	5

FLEXIBLE SUBSIDY FUND

[(TRANSFER OF FUNDS)]

[From the Rental Housing Assistance Fund, all uncommitted balances of excess rental charges as of September 30, 2005, and any collections made during fiscal year 2006 and all subsequent fiscal years, shall be transferred to the Flexible Subsidy Fund, as authorized by section 236(g) of the National Housing Act, as amended.] (Department of Housing and Urban Development Appropriations Act, 2006.)

Program and Financing (in millions of dollars)

Identification code 86-4044-0-3-604		2005 actual	2006 est.	2007 est.
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	42	4	24
22.00	New budget authority (gross)	-39	20	20
22.10	Resources available from recoveries of prior year obligations	1		
23.90	Total budgetary resources available for obligation	4	24	44
24.40	Unobligated balance carried forward, end of year	4	24	44
New budget authority (gross), detail:				
Discretionary:				
40.36	Unobligated balance permanently reduced	-68		
Discretionary:				
68.00	Spending authority from offsetting collections: Offsetting collections (cash)	29	20	20
70.00	Total new budget authority (gross)	-39	20	20
Change in obligated balances:				
72.40	Obligated balance, start of year	2	1	-19
73.20	Total outlays (gross)		-20	-20
73.45	Recoveries of prior year obligations	-1		
74.40	Obligated balance, end of year	1	-19	-39
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority		20	20
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Federal sources		-12	-12
88.20	Interest on Federal securities	-1		
88.40	Non-Federal sources	-28	-8	-8
88.90	Total, offsetting collections (cash)	-29	-20	-20

Net budget authority and outlays:

89.00	Budget authority	-68	
90.00	Outlays	-29	

Status of Direct Loans (in millions of dollars)

Identification code 86-4044-0-3-604		2005 actual	2006 est.	2007 est.
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	707	703	699
1251	Repayments: Repayments and prepayments	-4	-4	-4
1264	Write-offs for default: Writeoff for default: Other adjustments, net			
1290	Outstanding, end of year	703	699	695

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.

Balance Sheet (in millions of dollars)

Identification code 86-4044-0-3-604		2004 actual	2005 actual
ASSETS:			
1101	Federal assets: Fund balances with Treasury	44	44
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:			
1601	Direct loans, gross	707	707
1602	Interest receivable	87	87
1603	Allowance for estimated uncollectible loans and interest (-)	-591	-591
1699	Value of assets related to direct loans	203	203
1999	Total assets	247	247
LIABILITIES:			
2207	Non-Federal liabilities: Other	3	3
2999	Total liabilities	3	3
NET POSITION:			
3100	Appropriated capital	-308	-308
3300	Cumulative results of operations	552	552
3999	Total net position	244	244
4999	Total liabilities and net position	247	247

NEHEMIAH HOUSING OPPORTUNITY FUND

Program and Financing (in millions of dollars)

Identification code 86-4071-0-3-604		2005 actual	2006 est.	2007 est.
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	2		
22.00	New budget authority (gross)	-2		
New budget authority (gross), detail:				
Discretionary:				
40.36	Unobligated balance permanently reduced	-2		
Change in obligated balances:				
72.40	Obligated balance, start of year	9	11	9
73.20	Total outlays (gross)	2	-2	-2
74.40	Obligated balance, end of year	11	9	7
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	-2		
86.93	Outlays from discretionary balances		2	2
87.00	Total outlays (gross)	-2	2	2

Public enterprise funds—Continued

NEHEMIAH HOUSING OPPORTUNITY FUND—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 86-4071-0-3-604	2005 actual	2006 est.	2007 est.
Net budget authority and outlays:			
89.00 Budget authority	-2		
90.00 Outlays	-1	2	2

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.

Credit accounts:

FEDERAL HOUSING ADMINISTRATION
MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT
(INCLUDING TRANSFERS OF FUNDS)

During fiscal year [2006] 2007, commitments to guarantee loans to carry out the purposes of section 203(b) of the National Housing Act, as amended, shall not exceed a loan principal of \$185,000,000.

During fiscal year [2006] 2007, 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*, 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 expenses necessary to carry out the guaranteed and direct loan program, [\$355,000,000] \$351,450,000, of which not to exceed [\$351,000,000] \$347,490,000 shall be transferred to the appropriation for "Salaries and expenses"; and not to exceed [\$4,000,000] \$3,960,000 shall be transferred to the appropriation for "Office of Inspector General". In addition, for administrative contract expenses, [\$62,600,000] \$62,400,000, of which [\$18,281,000] \$23,562,000 shall be transferred to the Working Capital Fund, and of which up to \$10,000,000 shall be for education and outreach of FHA single family loan products: *Provided*, That to the extent guaranteed loan commitments exceed \$65,500,000,000 on or before April 1, [2006] 2007, 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, 2006.*)

Program and Financing (in millions of dollars)

Identification code 86-0183-0-1-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.07 Reestimates of loan guarantee subsidy—upward reestimate	2,003	2,881	
00.08 Interest on reestimates of loan guarantee subsidy	391	523	
00.09 Administrative expenses, salaries & expenses transfer	354	352	352
00.12 Non-overhead administrative expenses for FHA contracts	72	62	62
10.00 Total new obligations	2,820	3,818	414
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	431	414	414
22.22 Unobligated balance transferred from other accounts	2,394	3,404	
23.90 Total budgetary resources available for obligation	2,825	3,818	414
23.95 Total new obligations	-2,820	-3,818	-414
23.98 Unobligated balance expiring or withdrawn	-5		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	435	418	414
40.33 Appropriation permanently reduced (P.L. 109-148)		-4	
40.35 Appropriation permanently reduced	-4		

43.00 Appropriation (total discretionary)	431	414	414
Change in obligated balances:			
72.40 Obligated balance, start of year	81	94	94
73.10 Total new obligations	2,820	3,818	414
73.20 Total outlays (gross)	-2,799	-3,818	-414
73.40 Adjustments in expired accounts (net)	-8		
74.40 Obligated balance, end of year	94	94	94

Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	372	346	346
86.93 Outlays from discretionary balances	33	68	68
86.98 Outlays from mandatory balances	2,394	3,404	
87.00 Total outlays (gross)	2,799	3,818	414

Net budget authority and outlays:			
89.00 Budget authority	431	414	414
90.00 Outlays	2,799	3,818	414

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

Identification code 86-0183-0-1-371	2005 actual	2006 est.	2007 est.
Direct loan levels supportable by subsidy budget authority:			
115001 MMI Fund, Direct loans	5	50	50
115901 Total direct loan levels	5	50	50
Direct loan subsidy (in percent):			
132001 MMI Fund, Direct loans	0.00	0.00	0.00
Direct loan subsidy budget authority:			
133001 MMI Fund, Direct loans			
133901 Total subsidy budget authority			
Direct loan subsidy outlays:			
134001 MMI Fund, Direct loans			
134901 Total subsidy outlays			
Guaranteed loan levels supportable by subsidy budget authority:			
215001 MMI Fund, Section 203(b)		48,594	45,541
215002 MMI Fund, Section 203(b) (Oct—Dec 2004)	17,935		
215003 MMI Section 203(b) (Jan—Sept 2005)	40,082		
215004 MMI HECM			
215005 Standby commitment authority		136,406	139,459
215901 Total loan guarantee levels	58,017	185,000	185,000
Guaranteed loan subsidy (in percent):			
232001 MMI Fund, Section 203(b) subsidy rate	0.00	-1.70	-0.37
232002 MMI Fund, Section 203(b) subsidy rate for Oct thru Dec 2004	-1.71	0.00	0.00
232003 MMI Fund, Section 203(b) subsidy rate for Jan thru Sept 2005	-1.84	0.00	0.00
232004 MMI HECM—subsidy rate	0.00	0.00	0.00
232901 Weighted average subsidy rate	-1.80	-1.70	-0.37
Guaranteed loan subsidy budget authority:			
233001 MMI Fund, Section 203(b)		-826	-169
233002 MMI Fund, Section 203(b) (Oct—Dec 2004)	-307		
233003 MMI Fund, Section 203(b) (Jan—Sept 2005)	-737		
233004 MMI HECM—subsidy			
233005 Loan modification—savings		-13	-13
233901 Total subsidy budget authority	-1,044	-839	-182
Guaranteed loan subsidy outlays:			
234001 MMI Fund, Section 203(b)		-826	-169
234002 MMI Fund, Section 203(b) (Oct—Dec 2004)	-307		
234003 MMI Fund, Section 203(b) (Jan—Sept 2005)	-737		
234004 MMI HECM—subsidy outlay			
234005 Loan modification—savings		-13	-13
234901 Total subsidy outlays	-1,044	-839	-182
Guaranteed loan upward reestimate subsidy budget authority:			
235001 MMI Fund, Section 203(b)	2,394	3,404	
235901 Total upward reestimate budget authority	2,394	3,404	
Guaranteed loan downward reestimate subsidy budget authority:			
237001 MMI Fund, Section 203(b)	-56	-103	
237901 Total downward reestimate subsidy budget authority	-56	-103	

Administrative expense data:

351001 Budget authority	2,820	3,818	414
358001 Outlays from balances	33	68	
359001 Outlays from new authority	2,766	3,750	346

The Federal Housing Administration (FHA) provides mortgage insurance to encourage lenders to make credit available to expand homeownership and to predominantly serve borrowers that the conventional market does not adequately provide for, including: first-time homebuyers; minorities; lower-income families; and, residents of underserved areas (central cities and rural areas).

As required by the Federal Credit Reform Act of 1990, this account records administrative expenses for this program, as well as 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; the administrative expenses are estimated on a cash basis.

In 2007, FHA is requesting an aggregate limitation of \$185 billion on loan guarantees and is proposing legislative changes to reform FHA, including the consolidation of all single family programs under this account.

Object Classification (in millions of dollars)

Identification code 86-0183-0-1-371	2005 actual	2006 est.	2007 est.
25.2 Other services	57	62	62
25.3 Other purchases of goods and services from Government accounts	369	352	352
41.0 Grants, subsidies, and contributions	2,003	2,881	
43.0 Interest and dividends	391	523	
99.9 Total new obligations	2,820	3,818	414

MUTUAL MORTGAGE INSURANCE 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 86-0183-2-1-371	2005 actual	2006 est.	2007 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 MMI Fund, Section Purchase and Refinance			22,990
215002 MMI Fund, Section 203(b) (Oct—Dec 2004)			
215003 MMI Section 203(b) (Jan—Sept 2005)			
215004 MMI HECM			17,508
215005 Standby commitment authority			-40,498
215901 Total loan guarantee levels			
Guaranteed loan subsidy (in percent):			
232001 MMI Purchase and Refinance—subsidy rate			-0.53
232002 MMI Fund, Section 203(b) subsidy rate for Oct thru Dec 2004			0.00
232003 MMI Fund, Section 203(b) subsidy rate for Jan thru Sept 2005			0.00
232004 MMI HECM—subsidy rate			-1.21
232005 Subsidy rate			0.00
232901 Weighted average subsidy rate			-0.59
Guaranteed loan subsidy budget authority:			
233001 MMI Purchase and Refinance—subsidy			-451
233002 MMI Fund, Section 203(b) (Oct—Dec 2004)			
233003 MMI Fund, Section 203(b) (Jan—Sept 2005)			
233004 MMI HECM—subsidy			-212
233005 Loan modification—savings			
233901 Total subsidy budget authority			-663
Guaranteed loan subsidy outlays:			
234001 MMI Purchase and Refinance—subsidy outlay			-451
234002 MMI Fund, Section 203(b) (Oct—Dec 2004)			
234003 MMI Fund, Section 203(b) (Jan—Sept 2005)			
234004 MMI HECM—subsidy outlay			-212
234005 Loan modification—savings			
234901 Total subsidy outlays			-663

Administrative expense data:

351001 Budget authority			
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358001 Outlays from balances			
359001 Outlays from new authority			

FHA—MUTUAL MORTGAGE INSURANCE DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4242-0-3-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Direct loans	5	50	50
00.02 Interest paid to Treasury		2	2
00.03 Claims & other		4	4
10.00 Total new obligations	5	56	56
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3	5	
22.00 New financing authority (gross)	7	105	105
22.60 Portion applied to repay debt		-54	-49
23.90 Total budgetary resources available for obligation	10	56	56
23.95 Total new obligations	-5	-56	-56
24.40 Unobligated balance carried forward, end of year	5		
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	3	50	50
Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (cash)	4		
Mandatory:			
69.00 Offsetting collections (cash)		55	55
70.00 Total new financing authority (gross)	7	105	105
Change in obligated balances:			
73.10 Total new obligations	5	56	56
73.20 Total financing disbursements (gross)	-5	-56	-56
87.00 Total financing disbursements (gross)	5	56	56
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.25 Interest on uninvested funds		-1	-1
88.40 Repayment of principal	-4	-50	-50
88.40 Repayment of interest		-4	-4
88.90 Total, offsetting collections (cash)	-4	-55	-55
Net financing authority and financing disbursements:			
89.00 Financing authority	3	50	50
90.00 Financing disbursements		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 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 2007 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 who 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.

Credit accounts—Continued**FHA—MUTUAL MORTGAGE INSURANCE DIRECT LOAN FINANCING
ACCOUNT—Continued****Status of Direct Loans (in millions of dollars)**

Identification code 86-4242-0-3-371	2005 actual	2006 est.	2007 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	50	50	50
1142 Unobligated direct loan limitation (-)	-45		
1150 Total direct loan obligations	5	50	50
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year		1	1
1231 Disbursements: Direct loan disbursements	5	50	50
1251 Repayments: Repayments and prepayments	-4	-50	-50
1290 Outstanding, end of year	1	1	1

Balance Sheet (in millions of dollars)

Identification code 86-4242-0-3-371	2004 actual	2005 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	3	5
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	-3	-2
1999 Total assets		3
LIABILITIES:		
2103 Federal liabilities: Federal Liabilities—Debt		3
2999 Total liabilities		3
4999 Total liabilities and net position		3

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

Identification code 86-4587-0-3-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Loan guarantee default claim payments	6,641	6,397	6,563
00.02 Other capital investment & operating expenses	592	639	561
00.08 Interest payments to Treasury	373	329	288
00.91 Subtotal, capital/operating expenses	7,606	7,365	7,412
08.01 Payment of negative subsidy to capital reserve for new business	1,044	826	169
08.02 Reestimate of loan guarantee subsidy (downward re-estimates)	24	39	
08.04 Interest on reestimates of loan guarantee subsidy	33	64	
08.05 Loan modification payment to capital reserve account 86-0236		13	13
08.91 Direct Program by Activities—Subtotal (1 level)	1,101	942	182
10.00 Total new obligations	8,707	8,307	7,594
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3,458	3,389	5,921
22.00 New financing authority (gross)	9,601	12,839	8,168
22.10 Resources available from recoveries of prior year obligations	37		
22.60 Portion applied to repay debt	-1,000	-2,000	-1,000
23.90 Total budgetary resources available for obligation	12,096	14,228	13,089
23.95 Total new obligations	-8,707	-8,307	-7,594
24.40 Unobligated balance carried forward, end of year	3,389	5,921	5,495
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	400	1,000	1,000

Spending authority from offsetting collections:

Mandatory:			
69.00	Offsetting collections	2,394	3,404
69.00	Offsetting collections (cash)	6,938	8,435
69.10	Change in uncollected customer payments from Federal sources (unexpired)	-131	
69.90	Spending authority from offsetting collections (total mandatory)	9,201	11,839
70.00	Total new financing authority (gross)	9,601	12,839
Change in obligated balances:			
72.40	Obligated balance, start of year	840	1,080
73.10	Total new obligations	8,707	8,307
73.20	Total financing disbursements (gross)	-8,561	-8,141
73.45	Recoveries of prior year obligations	-37	
74.00	Change in uncollected customer payments from Federal sources (unexpired)	131	
74.40	Obligated balance, end of year	1,080	1,246
87.00	Total financing disbursements (gross)	8,561	8,141

Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00	Transfer of Reestimates from reserves in Capital Reserve account	-2,394	-3,404
88.00	Federal sources	-131	
88.25	Interest on uninvested funds	-264	-179
88.40	Fees and premiums	-1,888	-2,028
88.40	Recoveries on defaults	-4,655	-6,228
88.90	Total, offsetting collections (cash)	-9,332	-11,839
Against gross financing authority only:			
88.95	Change in receivables from program accounts	131	
Net financing authority and financing disbursements:			
89.00	Financing authority	400	1,000
90.00	Financing disbursements	-771	-3,698

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4587-0-3-371	2005 actual	2006 est.	2007 est.
Position with respect to appropriations act limitation on commitments:			
2111	Limitation on guaranteed loans made by private lenders	185,000	185,000
2142	Uncommitted loan guarantee limitation	-126,983	-136,406
2150	Total guaranteed loan commitments	58,017	48,594
2199	Guaranteed amount of guaranteed loan commitments	58,017	48,594
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year	364,285	319,846
2231	Disbursements of new guaranteed loans	58,017	48,594
2251	Repayments and prepayments	-95,742	-40,185
Adjustments:			
2261	Terminations for default that result in loans receivable	-808	-189
2262	Terminations for default that result in acquisition of property	-5,682	-6,135
2263	Terminations for default that result in claim payments	-224	-73
2290	Outstanding, end of year	319,846	321,858
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year	319,846	321,858
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310	Outstanding, start of year	410	343
2331	Disbursements for guaranteed loan claims	808	189
2351	Repayments of loans receivable	-646	
2364	Other adjustments, net	-229	-532
2390	Outstanding, end of year	343	

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	2004 actual ¹	2005 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	4,298	4,469
Investments in US securities:		
1106 Receivables, net	2,362	2,292
Non-Federal assets:		
1201 Investments in non-Federal securities, net	116	192
1206 Receivables, net	308	290
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1501 Defaulted guaranteed loans receivable, gross	410	343
1502 Interest receivable	2	1
1504 Foreclosed property	2,095	2,405
1505 Allowance for subsidy cost	-993	-1,441
1599 Net value of assets related to defaulted guaranteed loan	1,514	1,308
1901 Other Federal assets: Other assets	485	363
1999 Total assets	9,083	8,914
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable	54	103
2103 Federal liabilities, Debt	6,835	6,235
Non-Federal liabilities:		
2201 Accounts payable	610	671
2204 Liabilities for loan guarantees	1,316	1,803
2207 Other	268	102
2999 Total liabilities	9,083	8,914
4999 Total liabilities and net position	9,083	8,914

FHA—MUTUAL MORTGAGE INSURANCE GUARANTEED LOAN FINANCING ACCOUNT

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 86-4587-2-3-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Loan guarantee default claim payments			32
00.02 Other capital investment & operating expenses			2
00.08 Interest payments to Treasury			29
00.91 Subtotal, capital/operating expenses			63
08.01 Payment of negative subsidy for new business			
08.06 HECM Negative Subsidy to MMI Receipt Acct			212
08.07 MMI Purchase and Refinance Neg. Subsidy to MMI Receipt Acct			451
08.91 Direct Program by Activities—Subtotal (1 level)			663
10.00 Total new obligations			726
Budgetary resources available for obligation:			
22.00 New financing authority (gross)			828
23.95 Total new obligations			-726
24.40 Unobligated balance carried forward, end of year			102
New financing authority (gross), detail:			
Mandatory:			
69.00 Spending authority from offsetting collections (gross): Offsetting collections			828
Change in obligated balances:			
73.10 Total new obligations			726
73.20 Total financing disbursements (gross)			-579
74.40 Obligated balance, end of year			147
87.00 Total financing disbursements (gross)			579

Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.25 Interest on uninvested funds			-25
88.40 Fees and premiums			-791
88.40 Recoveries on defaults			-12
88.90 Total, offsetting collections (cash)			-828

Net financing authority and financing disbursements:

89.00 Financing authority			
90.00 Financing disbursements			-249

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4587-2-3-371	2005 actual	2006 est.	2007 est.
Position with respect to appropriations act limitation on commitments:			
2142 Uncommitted loan guarantee limitation			40,498
2150 Total guaranteed loan commitments			40,498
2199 Guaranteed amount of guaranteed loan commitments			40,498
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year			
2231 Disbursements of new guaranteed loans			40,498
2251 Repayments and prepayments			-934
Adjustments:			
2261 Terminations for default that result in loans receivable			
2262 Terminations for default that result in acquisition of property			-32
2263 Terminations for default that result in claim payments			
2290 Outstanding, end of year			39,532
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year			39,532

Addendum:

Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year			
2331 Disbursements for guaranteed loan claims			
2351 Repayments of loans receivable			
2364 Other adjustments, net			
2390 Outstanding, end of year			

FHA—MUTUAL MORTGAGE INSURANCE CAPITAL RESERVE ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-0236-0-1-371	2005 actual	2006 est.	2007 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	23,519	23,262	21,864
22.00 New budget authority (gross)	2,181	2,006	1,251
22.21 Unobligated balance transferred to other accounts	-2,438	-3,404	
23.90 Total budgetary resources available for obligation	23,262	21,864	23,115
24.40 Unobligated balance carried forward, end of year	23,262	21,864	23,115
New budget authority (gross), detail:			
Spending authority from offsetting collections:			
Mandatory:			
69.00 Offsetting collections (cash)	1,124	1,167	1,069
69.00 Offsetting collections (cash)	1,044	839	182
69.10 Change in uncollected customer payments from Federal sources (unexpired)	13		
69.90 Spending authority from offsetting collections (total mandatory)	2,181	2,006	1,251
Change in obligated balances:			
72.40 Obligated balance, start of year	-248	-261	-261
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-13		

Credit accounts—Continued

FHA—MUTUAL MORTGAGE INSURANCE CAPITAL RESERVE
ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 86-0236-0-1-371	2005 actual	2006 est.	2007 est.
74.40 Obligated balance, end of year	-261	-261	-261
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources—negative subsidy from new business	-1,044	-826	-169
88.00 Federal sources—downward reestimates	-56	-103	
88.00 Federal sources—loan modification		-13	-13
88.20 Interest on Federal securities	-1,068	-1,064	-1,069
88.90 Total, offsetting collections (cash)	-2,168	-2,006	-1,251
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-13		
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-2,168	-2,006	-1,251
Memorandum (non-add) entries:			
92.01 Total investments, start of year: Federal securities: Par value	23,321	22,642	23,107
92.02 Total investments, end of year: Federal securities: Net	22,642	23,107	22,869

Summary of Budget Authority and Outlays

(in millions of dollars)

	2005 actual	2006 est.	2007 est.
Enacted/requested:			
Budget Authority			
Outlays	-2,168	-2,006	-1,251
Legislative proposal, not subject to PAYGO:			
Budget Authority			
Outlays			1,251
Total:			
Budget Authority			
Outlays	-2,168	-2,006	

In 2002, a new 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 new Capital Reserve account. In 2003, this new account started earning interest on Treasury investments, collecting negative subsidy and downward reestimates from the Financing account, and paying upward reestimates. The Liquidating account will now only reflect cashflows related to pre-1992 books of business.

Balance Sheet (in millions of dollars)

Identification code 86-0236-0-1-371	2004 actual	2005 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	301	728
Investments in US securities:		
1102 Treasury securities, net	23,178	22,481
1106 Receivables, net	302	362
1999 Total assets	23,781	23,571
LIABILITIES:		
2101 Federal liabilities: Accounts payable	2,362	2,292
2999 Total liabilities	2,362	2,292
NET POSITION:		
3300 Cumulative results of operations	21,419	21,279
3999 Total net position	21,419	21,279
4999 Total liabilities and net position	23,781	23,571

FHA—MUTUAL MORTGAGE INSURANCE CAPITAL RESERVE ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-0236-2-1-371	2005 actual	2006 est.	2007 est.
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			-1,251
24.40 Unobligated balance carried forward, end of year			-1,251
New budget authority (gross), detail:			
Spending authority from offsetting collections:			
Mandatory:			
69.00 Offsetting collections (cash)			-1,069
69.00 Offsetting collections (cash)			-182
69.90 Spending authority from offsetting collections (total mandatory)			-1,251
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources—negative subsidy from new business			169
88.00 Federal sources—downward reestimates			13
88.20 Interest on Federal securities			1,069
88.90 Total, offsetting collections (cash)			1,251
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			1,251
Memorandum (non-add) entries:			
92.02 Total investments, end of year: Federal securities: Par value			238

FHA—MUTUAL MORTGAGE AND COOPERATIVE HOUSING INSURANCE
FUNDS LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4070-0-3-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
01.03 Acquisition of real properties	42	66	43
01.07 Capitalized expenses	40	15	9
01.08 Loss mitigation activities	5	3	2
01.91 Total capital investment	87	84	54
02.02 Other Operation expenses	14	11	11
10.00 Total new obligations	101	95	65
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	12	38	29
22.00 New budget authority (gross)	81	86	50
22.10 Resources available from recoveries of prior year obligations	2		
22.22 Unobligated balance transferred from other accounts	44		
23.90 Total budgetary resources available for obligation	139	124	79
23.95 Total new obligations	-101	-95	-65
24.40 Unobligated balance carried forward, end of year	38	29	14
New budget authority (gross), detail:			
Mandatory:			
69.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)	81	86	50
Change in obligated balances:			
72.40 Obligated balance, start of year	276	266	266
73.10 Total new obligations	101	95	65
73.20 Total outlays (gross)	-109	-95	-65
73.45 Recoveries of prior year obligations	-2		
74.40 Obligated balance, end of year	266	266	266
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	81	86	50

86.98	Outlays from mandatory balances	28	9	15
87.00	Total outlays (gross)	109	95	65
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.40	Fees and premiums	-4	-10	-7
88.40	Recoveries on defaulted mortgages	-74	-76	-43
88.40	Other	-3		
88.90	Total, offsetting collections (cash)	-81	-86	-50
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	28	9	15

Status of Direct Loans (in millions of dollars)

Identification code 86-4070-0-3-371	2005 actual	2006 est.	2007 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	2	3	3
1264	Write-offs for default: Other adjustments, net	1		
1290	Outstanding, end of year	3	3	3

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4070-0-3-371	2005 actual	2006 est.	2007 est.	
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	19,392	16,074	13,415
2251	Repayments and prepayments	-3,275	-2,593	-2,245
2262	Adjustments: Terminations for default that result in acquisition of property	-43	-66	-43
2290	Outstanding, end of year	16,074	13,415	11,127
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	16,074	13,415	11,127
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year		8	
2331	Disbursements for guaranteed loan claims	3	2	1
2361	Write-offs of loans receivable		-10	-1
2364	Other adjustments, net	5		
2390	Outstanding, end of year	8		

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 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, a new 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).

PROGRAM HIGHLIGHTS

(in millions of dollars)

	2005 actual	2006 est.	2007 est.
Mortgage insurance written (in fiscal year):			
Units	491,550	384,153	564,202
Amount (in millions of dollars)	\$58,017	\$48,594	\$86,039
Insurance maintenance: Outstanding balance of insurance in force, end of year:			
Mortgage insurance (in millions of dollars)	\$319,846	\$321,858	\$360,612

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	2004 actual ¹	2005 actual	
ASSETS:			
1101	Federal assets: Fund balances with Treasury	288	304
1206	Non-Federal assets: Receivables, net	26	24
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:			
1701	Defaulted guaranteed loans, gross	9	8
1703	Allowance for estimated uncollectible loans and interest (-)	-2	-3
1704	Defaulted guaranteed loans and interest receivable, net	7	5
1706	Foreclosed property	13	16
1799	Value of assets related to loan guarantees ..	20	21
1901	Other Federal assets: Other assets	2	4
1999	Total assets	336	353
LIABILITIES:			
Non-Federal liabilities:			
2201	Accounts payable	236	227
2204	Liabilities for loan guarantees	85	53
2207	Unearned revenue and advances, and other	150	113
2999	Total liabilities	471	393
NET POSITION:			
3300	Cumulative results of operations	-135	-40
3999	Total net position	-135	-40
4999	Total liabilities and net position	336	353

¹ Estimated result on GAAP basis pending final audit.

Object Classification (in millions of dollars)

Identification code 86-4070-0-3-371	2005 actual	2006 est.	2007 est.	
25.2	Other services	14	10	11
32.0	Land and structures	82	82	52
42.0	Insurance claims and indemnities	5	3	2
99.9	Total new obligations	101	95	65

GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

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, **[\$8,800,000] \$8,600,000**, to remain available until ex-

Credit accounts—Continued

GENERAL AND SPECIAL RISK PROGRAM ACCOUNT—Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

pending: *Provided*, That commitments to guarantee loans shall not exceed \$35,000,000,000 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 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.

In addition, for administrative expenses necessary to carry out the guaranteed and direct loan programs, **[\$231,400,000]** \$229,086,000, of which **[\$211,400,000]** \$209,286,000 shall be transferred to the appropriation for “Salaries and Expenses”; and of which **[\$20,000,000]** \$19,800,000 shall be transferred to the appropriation for “Office of Inspector General”.

In addition, for administrative contract expenses necessary to carry out the guaranteed and direct loan programs, **[\$71,900,000]** \$78,111,000, of which \$10,692,000 shall be transferred to the Working Capital Fund: *Provided*, That to the extent guaranteed loan commitments exceed \$8,426,000,000 on or before April 1, **[2006]** 2007, an additional \$1,980 for administrative contract expenses shall be available for each \$1,000,000 in additional guaranteed loan commitments over \$8,426,000,000 (including a pro rata amount for any increment below \$1,000,000), but in no case shall funds made available by this proviso exceed \$14,400,000. (*Department of Housing and Urban Development Appropriations Act, 2006.*)

Program and Financing (in millions of dollars)

Identification code 86-0200-0-1-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.02 Guaranteed loan subsidy	4	5	7
00.04 Subsidy for loan modification	2		
00.07 Reestimate of credit subsidy	634	441	
00.08 Interest on reestimates of loan guarantee subsidy	133	37	
00.09 Administrative expenses, salaries & expenses transfer	226	229	229
00.10 Administrative contract expenses	77	71	78
10.00 Total new obligations	1,076	783	314
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	77	52	56
22.00 New budget authority (gross)	1,058	787	316
23.90 Total budgetary resources available for obligation	1,135	839	372
23.95 Total new obligations	-1,076	-783	-314
23.98 Unobligated balance expiring or withdrawn	-7		
24.40 Unobligated balance carried forward, end of year	52	56	58
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	324	312	316
40.33 Appropriation permanently reduced (P.L. 109-148)		-3	
40.35 Appropriation permanently reduced (accross-the-board rescission)	-30		
40.36 Unobligated balance permanently reduced (rescission)	-3		
43.00 Appropriation (total discretionary)	291	309	316
Mandatory:			
60.00 Appropriation	767	478	
70.00 Total new budget authority (gross)	1,058	787	316
Change in obligated balances:			
72.40 Obligated balance, start of year	91	99	93
73.10 Total new obligations	1,076	783	314
73.20 Total outlays (gross)	-1,061	-789	-316
73.40 Adjustments in expired accounts (net)	-7		
74.40 Obligated balance, end of year	99	93	91
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	248	292	299

86.93 Outlays from discretionary balances	46	19	17
86.97 Outlays from new mandatory authority	767	478	
87.00 Total outlays (gross)	1,061	789	316
Net budget authority and outlays:			
89.00 Budget authority	1,058	787	316
90.00 Outlays	1,061	789	316

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

Identification code 86-0200-0-1-371	2005 actual	2006 est.	2007 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Single-family PMMs			
115002 Multifamily bridge loans			
115901 Total direct loan levels			
Direct loan subsidy (in percent):			
132001 Single-family PMMs	0.00	0.00	0.00
132002 Multifamily bridge loans	0.00	0.00	0.00
132901 Weighted average subsidy rate	0.00	0.00	0.00
Direct loan subsidy budget authority:			
133001 Single-family PMMs			
133002 Multifamily bridge loans			
133901 Total subsidy budget authority			
Direct loan subsidy outlays:			
134001 Single-family PMMs			
134002 Multifamily bridge loans			
134901 Total subsidy outlays			
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Apartments NC/SC	1,249	1,800	1,800
215002 221d3 NP/Coop owned apts	3	30	52
215003 Tax Credits NC	853	850	1,300
215004 Mixed Income (Hope d4)			
215005 Apartments Refinance	1,869	1,800	1,800
215006 241a Supplemental Loans for Apts		10	10
215007 Operating Loss Loans for Apts (plus 232)	1	1	1
215008 HFA Risk Sharing	166	150	200
215009 GSE Risk Sharing	20	20	35
215010 FHA Full Insurance for Health Care Facilities (plus 241/232)	192	190	190
215011 Health Care Refinances	1,032	1,000	1,000
215012 Hospitals	784	750	750
215013 Other Rental (incl 207(mhp),220,231)	55	55	55
215014 Section 234: Condominiums	12,879	3,821	3,842
215015 Section 203(k): Rehabilitation Mortgages	431	419	421
215016 Home Equity Conversion Mortgages		6,092	13,717
215017 Title 1 Property Improvement	51	73	73
215018 Title 1 Manufactured Housing	67	104	104
215901 Total loan guarantee levels	19,652	17,165	25,350
Guaranteed loan subsidy (in percent):			
232001 Apartments NC/SC	-0.03	-0.18	-3.63
232002 221d3 NP/Coop owned apts	10.58	9.74	6.31
232003 Tax Credits NC	-4.45	-3.54	-2.78
232004 Mixed Income (Hope d4)	0.00	0.00	0.00
232005 Apartments Refinance	-2.46	-1.84	-4.42
232006 241a Supplemental Loans for Apts	6.22	5.43	3.93
232007 Operating Loss Loans for Apts (plus 232)	16.45	15.89	16.55
232008 HFA Risk Sharing	-0.79	-0.67	-0.68
232009 GSE Risk Sharing	-1.04	-0.83	-0.89
232010 FHA Full Insurance for Health Care Facilities (plus 241/232)	-0.06	-0.76	-4.42
232011 Health Care Refinances	-1.80	-1.26	-3.47
232012 Hospitals	-2.02	-1.76	-3.51
232013 Other Rental (incl 207(mhp),220,231)	-0.40	-0.73	-4.29
232014 Section 234: Condominiums	-0.40	-2.19	-1.49
232015 Section 203(k): Rehabilitation Mortgages	0.59	-1.12	0.31
232016 Home Equity Conversion Mortgages	0.00	-1.74	-1.21
232017 Title 1 Property Improvement	1.92	1.79	0.97
232018 Title 1 Manufactured Housing	0.12	1.10	0.83
232901 Weighted average subsidy rate	-0.85	-1.65	-1.86
Guaranteed loan subsidy budget authority:			
233001 Apartments NC/SC	-1	-3	-65
233002 221d3 NP/Coop owned apts		3	3
233003 Tax Credits NC	-38	-30	-36
233004 Mixed Income (Hope d4)			
233005 Apartments Refinance	-46	-33	-80

233006 241a Supplemental Loans for Apts			
233007 Operating Loss Loans for Apts (plus 232)			1
233008 HFA Risk Sharing	-1	-1	-1
233009 GSE Risk Sharing			
233010 FHA Full Insurance for Health Care Facilities (plus 241/232)			-8
233011 Health Care Refinances	-19	-13	-35
233012 Hospitals	-16	-13	-26
233013 Other Rental (incl 207(mhp),220,231)			-2
233014 Section 234: Condominiums	-52	-84	-57
233015 Section 203(k): Rehabilitation Mortgages	3	-5	1
233016 Home Equity Conversion Mortgages		-105	-166
233017 Title 1 Property Improvement	1	1	1
233018 Title 1 Manufactured Housing		1	1
233022 Standby authority			
233901 Total subsidy budget authority	-169	-282	-469
Guaranteed loan subsidy outlays:			
234001 Apartments NC/SC	-1	-2	-50
234002 221d3 NP/Coop owned apts		2	3
234003 Tax Credits NC	-33	-32	-35
234004 Mixed Income (Hope d4)			
234005 Apartments Refinance	-45	-36	-68
234006 241a Supplemental Loans for Apts			
234007 Operating Loss Loans for Apts (plus 232)			
234008 HFA Risk Sharing	-2	-1	-1
234009 GSE Risk Sharing			
234010 FHA Full Insurance for Health Care Facilities (plus 241/232)		-1	-7
234011 Health Care Refinances	-18	-14	-29
234012 Hospitals	-35	-14	-23
234013 Other Rental (incl 207(mhp),220,231)			-2
234014 Section 234: Condominiums	-52	-84	-57
234015 Section 203(k): Rehabilitation Mortgages	3	-5	1
234016 Home Equity Conversion Mortgages		-105	-166
234017 Title 1 Property Improvement	1	1	1
234018 Title 1 Manufactured Housing		1	1
234901 Total subsidy outlays	-182	-290	-432
Guaranteed loan upward reestimate subsidy budget authority:			
235024 General and Special Risk	767	478	
235901 Total upward reestimate budget authority	767	478	
Guaranteed loan downward reestimate subsidy budget authority:			
237024 General and Special Risk	-208	-297	
237901 Total downward reestimate subsidy budget authority	-208	-297	
Administrative expense data:			
351001 Budget authority	311	300	307
358001 Outlays from balances	47	18	14
359001 Outlays from new authority	242	285	284

This account includes budget authority for insurance programs requiring positive credit subsidies, as well as for salaries and expenses and other administrative costs for all General and Special Risk Insurance Fund programs.

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), as well as administrative expenses of these programs. The subsidy amounts are estimated on a present value basis; the administrative expenses are accounted for on a cash basis.

The Budget implements a higher guarantee premium for multi-family and health care loan guarantees to offset taxpayer costs for loans to these developments. Loans for developments using low-income housing tax credits will be exempt from this increase. The Budget also proposes a consolidation of FHA single-family programs under the Mutual Mortgage Insurance fund.

Object Classification (in millions of dollars)

Identification code 86-0200-0-1-371	2005 actual	2006 est.	2007 est.
25.1 Advisory and assistance services	67	60	67
25.2 Other services	10	11	11
25.3 Other purchases of goods and services from Government accounts	226	229	229
41.0 Grants, subsidies, and contributions	773	483	7
99.9 Total new obligations	1,076	783	314

GENERAL AND SPECIAL RISK PROGRAM ACCOUNT
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 86-0200-2-1-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.02 Guaranteed loan subsidy			-1
10.00 Total new obligations (object class 41.0)			-1
Budgetary resources available for obligation:			
23.95 Total new obligations			1
24.40 Unobligated balance carried forward, end of year			1
Change in obligated balances:			
73.10 Total new obligations			-1
74.40 Obligated balance, end of year			-1
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

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

Identification code 86-0200-2-1-371	2005 actual	2006 est.	2007 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215014 Section 234: Condominiums			-3,842
215015 Section 203(k): Rehabilitation Mortgages			-421
215016 Home Equity Conversion Mortgages			-13,717
215901 Total loan guarantee levels			-17,980
Guaranteed loan subsidy (in percent):			
232014 Section 234: Condominiums			1.49
232015 Section 203(k): Rehabilitation Mortgages			-0.31
232016 Home Equity Conversion Mortgages			1.21
232901 Weighted average subsidy rate			-1.52
Guaranteed loan subsidy budget authority:			
233014 Section 234: Condominiums			57
233015 Section 203(k): Rehabilitation Mortgages			-1
233016 Home Equity Conversion Mortgages			166
233901 Total subsidy budget authority			222
Guaranteed loan subsidy outlays:			
234014 Section 234: Condominiums			57
234015 Section 203(k): Rehabilitation Mortgages			-1
234016 Home Equity Conversion Mortgages			166
234901 Total subsidy outlays			222

FHA—GENERAL AND SPECIAL RISK GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4077-0-3-371	2005 actual	2006 est.	2007 est.
Capital investment, claims and other:			
Capital investment, claims and other:			
00.01 Default claims	883	1,516	1,176
00.02 Interest paid to Treasury	93	95	95
00.03 Other capital investments and operating expenses	199	376	615

Credit accounts—Continued

FHA—GENERAL AND SPECIAL RISK GUARANTEED LOAN FINANCING
ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 86-4077-0-3-371	2005 actual	2006 est.	2007 est.
00.09 Asset sale positive subsidy payment to the liquidating account	2		
00.14 Contract Costs	8	20	20
00.91 Direct Program by Activities—Subtotal (1 level)	1,185	2,007	1,906
08.01 Payment of negative subsidy to receipt account	247	294	476
08.02 Downward subsidy rate reestimate	127	203	
08.04 Interest on subsidy rate reestimates	81	94	
08.91 Direct Program by Activities—Subtotal (1 level)	455	591	476
10.00 Total new obligations	1,640	2,598	2,382
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1,147	2,497	2,244
22.00 New financing authority (gross)	3,022	2,445	2,081
22.10 Resources available from recoveries of prior year obligations	2		
22.60 Portion applied to repay debt	-34	-100	-100
23.90 Total budgetary resources available for obligation	4,137	4,842	4,225
23.95 Total new obligations	-1,640	-2,598	-2,382
24.40 Unobligated balance carried forward, end of year	2,497	2,244	1,843
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	772	500	500
Spending authority from offsetting collections:			
Mandatory:			
69.00 Offsetting collections (cash)	2,385	1,945	1,581
69.10 Change in uncollected customer payments from Federal sources (unexpired)	45		
69.47 Portion applied to repay debt	-180		
69.90 Spending authority from offsetting collections (total mandatory)	2,250	1,945	1,581
70.00 Total new financing authority (gross)	3,022	2,445	2,081
Change in obligated balances:			
72.40 Obligated balance, start of year	285	131	-113
73.10 Total new obligations	1,640	2,598	2,382
73.20 Total financing disbursements (gross)	-1,747	-2,842	-2,344
73.45 Recoveries of prior year obligations	-2		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-45		
74.40 Obligated balance, end of year	131	-113	-75
87.00 Total financing disbursements (gross)	1,747	2,842	2,344
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Payments from program account	-4	-5	-7
88.00 Gross Proceeds from sale of mortgage notes (liquidating)	-80	-6	
88.00 Subsidy reestimate from program account	-767	-478	
88.00 Payment from program account- Asset Sale	-2		
88.25 Interest on uninvested funds	-147	-147	-147
88.40 Fees and premiums	-612	-664	-729
88.40 Recoveries on defaulted mortgages	-153	-23	-105
88.40 Title I recoveries	-23	-2	-1
88.40 Single family property recoveries	-171	-433	-383
88.40 Gross Proceeds from Mortgage Note Sales	-393	-86	-107
88.40 Multifamily property recoveries	-1	-1	-2
88.40 Non-Federal Resources-other	-32	-100	-100
88.90 Total, offsetting collections (cash)	-2,385	-1,945	-1,581
Against gross financing authority only:			
88.95 Change in receivables from program accounts	-45		
Net financing authority and financing disbursements:			
89.00 Financing authority	592	500	500
90.00 Financing disbursements	-637	897	763

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4077-0-3-371	2005 actual ¹	2006 est.	2007 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	35,000	35,000	35,000
2142 Uncommitted loan guarantee limitation	-15,348	-17,835	-9,650
2150 Total guaranteed loan commitments	19,652	17,165	25,350
2199 Guaranteed amount of guaranteed loan commitments	19,652	17,165	25,350
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	78,257	81,274	82,955
2231 Disbursements of new guaranteed loans	20,188	14,523	17,874
2251 Repayments and prepayments	-16,288	-11,307	-11,716
Adjustments:			
2261 Terminations for default that result in loans receivable	-617	-1,201	-811
2262 Terminations for default that result in acquisition of property	-235	-329	-361
2263 Terminations for default that result in claim payments	-31	-5	-4
2290 Outstanding, end of year	81,274	82,955	87,937
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	81,274	82,955	87,937
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	704	655	2,098
2331 Disbursements for guaranteed loan claims	709	1,555	1,456
2351 Repayments of loans receivable	-615	-112	-214
2361 Write-offs of loans receivable	-143		
2390 Outstanding, end of year	655	2,098	3,340

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	2004 actual	2005 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	1,432	2,628
Investments in US securities:		
1106 Receivables, net	767	228
Non-Federal assets:		
1201 Investments in non-Federal securities, net	4	6
1206 Receivables, net	17	13
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1501 Defaulted guaranteed loans receivable, gross	704	655
1502 Interest receivable	73	60
1504 Foreclosed property	394	387
1505 Allowance for subsidy cost	-682	-655
1599 Net value of assets related to defaulted guaranteed loan	489	447
1901 Other Federal assets: Other assets	-12	92
1999 Total assets	2,697	3,414
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable Intragovernmental	208	297
2103 Debt	800	1,310
2105 Other Federal Liabilities	87	
Non-Federal liabilities:		
2201 Accounts payable	36	49
2202 Interest payable	12	15

2203	Non Federal Debt	34	48
2204	Liabilities for loan guarantees	1,409	1,564
2207	Other	111	131
2999	Total liabilities	2,697	3,414
4999	Total liabilities and net position	2,697	3,414

FHA—GENERAL AND SPECIAL RISK GUARANTEED LOAN FINANCING ACCOUNT

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 86-4077-2-3-371	2005 actual	2006 est.	2007 est.
Capital investment, claims and other:			
Capital investment, claims and other:			
00.01	Default claims		- 369
08.01	Payment of negative subsidy to receipt account		- 223
10.00	Total new obligations		- 592
Budgetary resources available for obligation:			
22.00	New financing authority (gross)		- 889
23.95	Total new obligations		592
24.40	Unobligated balance carried forward, end of year		- 297
New financing authority (gross), detail:			
Mandatory:			
69.00	Spending authority from offsetting collections (gross): Offsetting collections (cash)		- 889
Change in obligated balances:			
73.10	Total new obligations		- 592
73.20	Total financing disbursements (gross)		1,428
74.40	Obligated balance, end of year		836
87.00	Total financing disbursements (gross)		- 1,428
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00	Payments from program account		1
88.40	Fees and premiums		497
88.40	Single family property recoveries		382
88.40	Gross Proceeds from Mortgage Note Sales		9
88.90	Total, offsetting collections (cash)		889
Net financing authority and financing disbursements:			
89.00	Financing authority		
90.00	Financing disbursements		- 539

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4077-2-3-371	2005 actual ¹	2006 est.	2007 est.
Position with respect to appropriations act limitation on commitments:			
2111	Limitation on guaranteed loans made by private lenders		
2142	Uncommitted loan guarantee limitation		- 17,980
2150	Total guaranteed loan commitments		- 17,980
2199	Guaranteed amount of guaranteed loan commitments		- 17,980
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year		
2231	Disbursements of new guaranteed loans		- 9,123
2251	Repayments and prepayments		3,974
Adjustments:			
2261	Terminations for default that result in loans receivable		3
2262	Terminations for default that result in acquisition of property		361
2263	Terminations for default that result in claim payments		5
2290	Outstanding, end of year		- 4,780
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year		- 4,780

Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310	Outstanding, start of year		
2331	Disbursements for guaranteed loan claims		- 354
2351	Repayments of loans receivable		
2361	Write-offs of loans receivable		
2390	Outstanding, end of year		- 354

FHA—GENERAL AND SPECIAL RISK DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4105-0-3-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01	Direct loans	3	3
00.02	Interest paid to Treasury	1	1
10.00	Total new obligations	4	4
Budgetary resources available for obligation:			
22.00	New financing authority (gross)	4	4
23.95	Total new obligations	- 4	- 4
New financing authority (gross), detail:			
Mandatory:			
67.10	Authority to borrow	4	4
Spending authority from offsetting collections:			
Mandatory:			
69.00	Offsetting collections (cash)	4	4
69.47	Portion applied to repay debt	- 4	- 4
69.90	Spending authority from offsetting collections (total mandatory)		
70.00	Total new financing authority (gross)	4	4
Change in obligated balances:			
73.10	Total new obligations	4	4
73.20	Total financing disbursements (gross)	- 4	- 4
87.00	Total financing disbursements (gross)	4	4
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.40	Interest received on loans	- 1	- 1
88.40	Repayment of Principal	- 3	- 3
88.90	Total, offsetting collections (cash)	- 4	- 4
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	2005 actual	2006 est.	2007 est.
Position with respect to appropriations act limitation on obligations:			
1111	Limitation on direct loans	50	50
1142	Unobligated direct loan limitation (-)	- 50	- 47
1150	Total direct loan obligations	3	3
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	2	2
1231	Disbursements: Direct loan disbursements	4	4
1251	Repayments: Repayments and prepayments	- 4	- 4
1290	Outstanding, end of year	2	2

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 Gen-

Credit accounts—Continued

FHA—GENERAL AND SPECIAL RISK DIRECT LOAN FINANCING ACCOUNT—Continued

eral 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.

This schedule includes two direct loan programs. One provides bridge loan financing to facilitate the disposition of multifamily housing owned by the Department to non-profit organizations who agree to preserve it as affordable rental or cooperative housing. The second is a single-family direct loan program for purchase money mortgages, as discussed in the preceding section for the Mutual Mortgage Insurance Fund.

Balance Sheet (in millions of dollars)

Identification code 86-4105-0-3-371	2004 actual	2005 actual
ASSETS:		
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	2	
1499 Net present value of assets related to direct loans	2	
1999 Total assets	2	
LIABILITIES:		
Federal liabilities:		
2103 Treasury borrowing	1	
2104 Resources payable to Treasury	1	
2999 Total liabilities	2	
4999 Total liabilities and net position	2	

FHA—LOAN GUARANTEE RECOVERY FUND—FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4106-0-3-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Default Claims	2		
10.00 Total new obligations	2		
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	5	3	3
22.00 New financing authority (gross)			1
23.90 Total budgetary resources available for obligation	5	3	4
23.95 Total new obligations	-2		
24.40 Unobligated balance carried forward, end of year	3	3	4
New financing authority (gross), detail:			
Discretionary:			
68.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)			1
Change in obligated balances:			
72.40 Obligated balance, start of year	-1	-1	-2
73.10 Total new obligations	2		
73.20 Total financing disbursements (gross)	-2	-1	-1
74.40 Obligated balance, end of year	-1	-2	-3
87.00 Total financing disbursements (gross)	2	1	1
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.25 Interest on uninvested funds			-1
88.40 Non-Federal sources		-1	
88.90 Total, offsetting collections (cash)		-1	-1

88.96	Against gross financing authority only: Portion of offsetting collections (cash) credited to expired accounts	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	2005 actual	2006 est.	2007 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	2	2
2143	Uncommitted limitation carried forward	-2	
2150	Total guaranteed loan commitments		2
2199	Guaranteed amount of guaranteed loan commitments		2
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year	6	4
2231	Disbursements of new guaranteed loans		2
2251	Repayments and prepayments		-3
2263	Adjustments: Terminations for default that result in claim payments	-2	
2290	Outstanding, end of year	4	3
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year	4	3

Balance Sheet (in millions of dollars)

Identification code 86-4106-0-3-371	2004 actual	2005 actual
ASSETS:		
1101	Federal assets: Fund balances with Treasury	4
1999	Total assets	4
LIABILITIES:		
2204	Non-Federal liabilities: Liabilities for loan guarantees	4
2999	Total liabilities	4
4999	Total liabilities and net position	4

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. No loans have been made since 2004.

FHA—GENERAL AND SPECIAL RISK INSURANCE FUNDS LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4072-0-3-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
Operating expenses:			
00.02	Interest on debentures	17	25
00.03	Other operating costs		3
00.06	PAE & 3rd party restructuring fees	20	36
00.91	Total operating expenses	37	64
Capital investment: Claims and other:			
01.01	Acquisition of defaulted Title I notes	1	1
01.02	Assignment of mortgages	316	273
01.03	Debenture Claims	-6	
01.04	Mark-To-Market Restructures	199	582
01.05	Acquisition of real properties	7	4
01.10	Capitalized Expenses	2	66
01.11	Escrow Advances	164	105
01.12	Upfront Grants	14	30
01.13	Other	19	18
01.14	M&M Contract	1	3

01.16	Payment to the Financing Account-Asset Sale	80	6	.....
01.91	Total capital investment	797	1,088	508
10.00	Total new obligations	834	1,152	546
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	137	35	.....
22.00	New budget authority (gross)	960	1,672	787
22.10	Resources available from recoveries of prior year obligations	2	.....	.....
22.40	Capital transfer to general fund	-137	-35	.....
22.60	Portion applied to repay debt	-93	-520	-241
23.90	Total budgetary resources available for obligation	869	1,152	546
23.95	Total new obligations	-834	-1,152	-546
24.40	Unobligated balance carried forward, end of year	35	.....	.....
New budget authority (gross), detail:				
Mandatory:				
60.00	Appropriation	462	794	233
67.10	Authority to borrow	-9	500	200
Mandatory:				
69.00	Spending authority from offsetting collections: Offsetting collections (cash)	507	378	354
70.00	Total new budget authority (gross)	960	1,672	787
Change in obligated balances:				
72.40	Obligated balance, start of year	543	607	811
73.10	Total new obligations	834	1,152	546
73.20	Total outlays (gross)	-768	-948	-865
73.45	Recoveries of prior year obligations	-2	.....	.....
74.40	Obligated balance, end of year	607	811	492
Outlays (gross), detail:				
86.97	Outlays from new mandatory authority	225	341	133
86.98	Outlays from mandatory balances	543	607	732
87.00	Total outlays (gross)	768	948	865
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Collections from the Financing Account-Asset Sales	-2	.....	.....
88.40	Fees and premiums	-75	-68	-63
88.40	Proceeds from sale of real property	-22	-39	-37
88.40	Proceeds from sale of mortgage notes	-157	-142	-135
88.40	Foreclosure Sale .....	.....	.....	.....
88.40	Recoveries on defaulted mortgages	-187	-61	-51
88.40	Interest, dividends and revenue	-57	-55	-55
88.40	Other collections	-7	-13	-13
88.90	Total, offsetting collections (cash)	-507	-378	-354
Net budget authority and outlays:				
89.00	Budget authority	453	1,294	433
90.00	Outlays	261	570	511
Memorandum (non-add) entries:				
92.01	Total investments, start of year: Federal securities: Par value	4	4	6
92.02	Total investments, end of year: Federal securities: Par value	4	6	6

Status of Direct Loans (in millions of dollars)

Identification code 86-4072-0-3-371	2005 actual	2006 est.	2007 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	20	15	10
1251	Repayments: Repayments and prepayments	-5	-5	-5
1290	Outstanding, end of year	15	10	5

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4072-0-3-371	2005 actual	2006 est.	2007 est.	
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	12,556	8,457	6,204
2251	Repayments and prepayments	-3,576	-1,394	-510

Adjustments:				
2261	Terminations for default that result in loans receivable	-516	-856	-329
2262	Terminations for default that result in acquisition of property	-7	-3	-2
2290	Outstanding, end of year	8,457	6,204	5,363
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	8,457	6,204	5,363
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	2,773	2,983	3,771
2331	Disbursements for guaranteed loan claims	516	856	329
2351	Repayments of loans receivable	-182	-60	-51
2361	Write-offs of loans receivable ¹	-83	-8	-6
2364	Other adjustments, net	-41	.....	.....
2390	Outstanding, end of year	2,983	3,771	4,043

The General Insurance fund provides for a large number of specialized mortgage insurance programs, including the insurance of loans for property improvements as well as for 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. In addition, the fund provides insurance on mortgages covering experimental housing where strict adherence to State or local building regulations was not observed.

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 is recorded in corresponding program (86-0200) and financing (86-4077 and 86-4105) accounts.

Restructuring authorities under the Multifamily Assisted Housing Reform and Affordability Act of 1997 expire at the end of fiscal year 2006 except for binding commitments entered into prior to October 1, 2006.

Financial Condition.—The following tables reflect the revenues, expenses, and financial condition of the GI/SRI Liquidating Account based on Generally Accepted Accounting Principles.

Balance Sheet (in millions of dollars)

Identification code 86-4072-0-3-371	2004 actual ¹	2005 actual	
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	676	638
Investments in US securities:			
1102	Treasury securities, par	4	4
Non-Federal assets:			
1201	Investments in non-Federal securities, net	3	3
1206	Receivables, net	53	59
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:			
1601	Direct loans, gross	20	15
1699	Value of assets related to direct loans	20	15
1701	Defaulted guaranteed loans, gross	2,773	2,983
1702	Interest receivable	137	143
1703	Allowance for estimated uncollectible loans and interest (-)	-914	-851
1704	Defaulted guaranteed loans and interest receivable, net	1,996	2,275
1706	Foreclosed property	1	8
1799	Value of assets related to loan guarantees ..	1,997	2,283
1901	Other Federal assets: Other assets	145	-12

Credit accounts—Continued**FHA—GENERAL AND SPECIAL RISK INSURANCE FUNDS LIQUIDATING ACCOUNT—Continued****Balance Sheet (in millions of dollars)—Continued**

Identification code 86-4072-0-3-371	2004 actual ¹	2005 actual
1999 Total assets	2,898	2,990
LIABILITIES:		
2105 Federal liabilities: Other Liabilities	47	47
Non-Federal liabilities:		
2201 Accounts payable	-8	26
2202 Interest payable	14	14
2203 Debt	149	82
2204 Liabilities for loan guarantees	2,264	1,164
2207 Unearned revenue and advances	321	21
2999 Total liabilities	2,787	1,354
NET POSITION:		
3100 Appropriated capital	1,686	1,683
3300 Cumulative results of operations	-1,575	-47
3999 Total net position	111	1,636
4999 Total liabilities and net position	2,898	2,990

¹ Preliminary pending final audit.**Object Classification (in millions of dollars)**

Identification code 86-4072-0-3-371	2005 actual	2006 est.	2007 est.
25.2 Other services	40	40	40
32.0 Land and structures	23	131	131
33.0 Investments and loans	674	931	325
43.0 Interest and dividends	17	30	30
44.0 Repayments to financing account	80	20	20
99.9 Total new obligations	834	1,152	546

HOUSING FOR THE ELDERLY OR HANDICAPPED FUND LIQUIDATING ACCOUNT**Program and Financing (in millions of dollars)**

Identification code 86-4115-0-3-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.02 Maintenance security and collateral	1	15	15
01.01 Operating expenses: Interest on borrowings	91	80	80
10.00 Total new obligations	92	95	95
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	28	2	.....
22.00 New budget authority (gross)	94	95	95
22.40 Capital transfer to general fund	-28	-2	.....
23.90 Total budgetary resources available for obligation	94	95	95
23.95 Total new obligations	-92	-95	-95
24.40 Unobligated balance carried forward, end of year	2	.....	.....
New budget authority (gross), detail:			
Spending authority from offsetting collections:			
Mandatory:			
69.00 Offsetting collections (cash)	1,058	800	700
69.47 Portion applied to repay debt	-964	-705	-605
69.90 Spending authority from offsetting collections (total mandatory)	94	95	95
Change in obligated balances:			
72.40 Obligated balance, start of year	84	48	48
73.10 Total new obligations	92	95	95
73.20 Total outlays (gross)	-128	-95	-95
74.40 Obligated balance, end of year	48	48	48
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	94	95	95
86.98 Outlays from mandatory balances	34	.....	.....

87.00 Total outlays (gross)	128	95	95
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-1,058	-800	-700

Net budget authority and outlays:			
89.00 Budget authority	-964	-705	-605
90.00 Outlays	-930	-705	-605

Status of Direct Loans (in millions of dollars)

Identification code 86-4115-0-3-371	2005 actual	2006 est.	2007 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	6,991	6,502	6,102
1231 Disbursements: Direct loan disbursements	10	.....	.....
1251 Repayments: Repayments and prepayments	-489	-400	-400
1264 Write-offs for default: Other adjustments, net	-10	.....	.....
1290 Outstanding, end of year	6,502	6,102	5,702

Note.—Amounts for direct loan obligations reflect reservations of section 202 funds. Loan obligations shown under the program and financing schedule reflect loans that have reached the initial closing stage of processing.

The Housing for the Elderly or Handicapped Fund was established pursuant to section 202 of the Housing Act of 1959, as amended. The fund provided direct loans to nonprofit organizations building and managing housing projects for lower income persons who are elderly or disabled.

Projects included an assured range of necessary services for the occupants of such projects. In addition, the section 8 lower income housing assistance payments program has been used in conjunction with the section 202 program. Applications under the two programs have been processed simultaneously.

The data included in these schedules represent direct loan activities funded under the Housing for the Elderly or Handicapped Loan Fund. Further, activities in support of the needs of the elderly and disabled have been carried out under a grant program funded in the 1991 Appropriations Act (P.L. 101-507) and authorized in the National Affordable Housing Act (P.L. 101-625).

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

The program and financing schedule for this account summarizes the Federal government's obligations for this loan program.

Financing.—Repayments and interest income from loans continue to be available to pay for commitments of the fund.

Balance Sheet (in millions of dollars)

Identification code 86-4115-0-3-371	2004 actual	2005 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	111	51
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:		
1601 Direct loans, gross	6,991	6,502
1602 Interest receivable	78	70
1603 Allowance for estimated uncollectible loans and interest (-)	-17	-19
1604 Direct loans and interest receivable, net	7,052	6,553
1606 Acquired Real Property	31	7
1699 Value of assets related to direct loans	7,083	6,560
1999 Total assets	7,194	6,611
LIABILITIES:		
Federal liabilities:		
2102 Interest payable	81	46
2103 Debt	1,203	239
2104 Resources payable to Treasury	4,266	.....
2207 Non-Federal liabilities: Other	18	19
2999 Total liabilities	5,568	304

NET POSITION:

3100	Unexpended Appropriations	19	18
3300	Revolving Fund: Cumulative results of operations	1,607	6,289
3999	Total net position	1,626	6,307
4999	Total liabilities and net position	7,194	6,611

Object Classification (in millions of dollars)

Identification code 86-4115-0-3-371	2005 actual	2006 est.	2007 est.
32.0 Land and structures	1	15	15
43.0 Interest and dividends	91	80	80
99.9 Total new obligations	92	95	95

MANUFACTURED HOUSING FEES TRUST FUND

Special and Trust Fund Receipts (in millions of dollars)

Identification code 86-8119-0-7-376	2005 actual	2006 est.	2007 est.
01.00 Balance, start of year			
01.99 Balance, start of year			
Receipts:			
02.00 Mobile home inspection and monitoring fees, Manu- factured housing fee trust fund	9	13	13
Appropriations:			
05.00 Manufactured housing fees trust fund	-9	-13	-13
07.99 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 86-8119-0-7-376	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Transfer to salaries and expenses	1	2	2
00.02 Other program costs	8	11	11
10.00 Total new obligations (object class 25.2)	9	13	13
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3	4	4
22.00 New budget authority (gross)	9	13	13
23.33 Adjustment for changes in allocation	1		
23.90 Total budgetary resources available for obligation	13	17	17
23.95 Total new obligations	-9	-13	-13
24.40 Unobligated balance carried forward, end of year	4	4	4
New budget authority (gross), detail:			
Discretionary:			
40.26 Appropriation (trust fund)	9	13	13
Change in obligated balances:			
72.40 Obligated balance, start of year	2	1	1
73.10 Total new obligations	9	13	13
73.20 Total outlays (gross)	-10	-13	-13
74.40 Obligated balance, end of year	1	1	1
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	5	10	10
86.93 Outlays from discretionary balances	5	3	3
87.00 Total outlays (gross)	10	13	13
Net budget authority and outlays:			
89.00 Budget authority	9	13	13
90.00 Outlays	10	13	13

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. These fees will be used to fund the costs of all 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 Manufactured Housing Improvement Act of 2000 created a Manufactured Housing Fees Trust Fund and made spending subject to appropriations. This account provides spending for activities formerly funded under Manufactured Home Inspection and Monitoring.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

Federal Funds

The Housing and Urban Development Act of 1968 authorized the Government National Mortgage Association (Ginnie Mae) to guarantee the timely payment of principal and interest on privately issued securities that are backed by pools of FHA, Veterans Affairs (VA) and Rural Housing Service mortgages. The Ginnie Mae guarantee gives lenders access to the capital markets for funds to originate new loans. New FHA and VA loans are currently pooled into Ginnie Mae securities.

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

The Budget proposes discretionary appropriations for all of Ginnie Mae's administrative expenses. By bringing these growing costs under the full purview of the appropriators and eliminating Ginnie Mae's mandatory spending authority, this proposal treats Ginnie Mae's administrative expenses like those of other HUD programs. The Budget also proposes to charge Ginnie Mae issuers an upfront fee to offset the administrative expenses of the program. For 2007, the upfront fee assessed on new guarantees of mortgage-backed securities would be slightly over 6 basis points (6 cents for every \$100 of mortgages). The fee level would vary in future years with changes in the estimated administrative expenses and estimated volume of new guarantees of mortgage-backed securities.

Credit accounts:

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

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 **[\$200,000,000,000]** \$100,000,000,000, to remain available until September 30, [2007] 2008.

Credit accounts—Continued

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT—Continued

(INCLUDING TRANSFER OF FUNDS)—Continued

For administrative expenses necessary to carry out the guaranteed mortgage-backed securities program, **[\$10,700,000] \$54,000,000**, to be derived from the GNMA guarantees of mortgage-backed securities guaranteed loan receipt account, of which not to exceed **[\$10,700,000] \$10,593,000**, shall be transferred to the appropriation for “Salaries and Expenses”: *Provided, That to the extent new guarantees of mortgage-backed securities exceed \$43,000,000,000 on or before April 1, 2007, 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. (Department of Housing and Urban Development Appropriations Act, 2006.)*

Special and Trust Fund Receipts (in millions of dollars)

Identification code 86-0186-0-1-371	2005 actual	2006 est.	2007 est.
01.00 Balance, start of year	2,478	2,685	2,879
01.99 Balance, start of year	2,478	2,685	2,879
Receipts:			
02.20 GNMA-guarantees of mortgage backed securities guarantee loans, Negative subsidies	218	205	181
02.21 GNMA-guarantees of mortgage backed securities guarantee loans, Negative subsidies—legislative proposal not subject to PAYGO			54
02.99 Total receipts and collections	218	205	235
04.00 Total: Balances and collections	2,696	2,890	3,114
Appropriations:			
05.00 Guarantees of mortgage-backed securities loan guarantee program account	-11	-11	-11
05.01 Guarantees of mortgage-backed securities loan guarantee program account—legislative proposal not subject to PAYGO			-43
05.99 Total appropriations	-11	-11	-54
07.99 Balance, end of year	2,685	2,879	3,060

Program and Financing (in millions of dollars)

Identification code 86-0186-0-1-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.09 Administrative expenses, salaries and expenses	11	11	11
10.00 Total new obligations (object class 25.3)	11	11	11
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	11	11	11
23.95 Total new obligations	-11	-11	-11
New budget authority (gross), detail:			
Discretionary:			
40.20 Appropriation (special fund)	11	11	11
Change in obligated balances:			
73.10 Total new obligations	11	11	11
73.20 Total outlays (gross)	-11	-11	-11
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	11	11	11
Net budget authority and outlays:			
89.00 Budget authority	11	11	11
90.00 Outlays	11	11	11

Summary of Budget Authority and Outlays

(in millions of dollars)

	2005 actual	2006 est.	2007 est.
Enacted/requested:			
Budget Authority	11	11	11
Outlays	11	11	11
Legislative proposal, not subject to PAYGO:			
Budget Authority			43

Outlays			43
Total:			
Budget Authority	11	11	54
Outlays	11	11	54

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

Identification code 86-0186-0-1-371	2005 actual	2006 est.	2007 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Ginnie Mae mortgage-backed securities	112,519	89,000	86,000
215901 Total loan guarantee levels	112,519	89,000	86,000
Guaranteed loan subsidy (in percent):			
232001 Ginnie Mae mortgage-backed securities	-0.23	-0.23	-0.21
232901 Weighted average subsidy rate	-0.23	-0.23	-0.21
Guaranteed loan subsidy budget authority:			
233001 Ginnie Mae mortgage-backed securities	-218	-205	-181
233901 Total subsidy budget authority	-218	-205	-181
Guaranteed loan subsidy outlays:			
234001 Ginnie Mae mortgage-backed securities	-218	-205	-181
234002 Standby commitment authority			
234901 Total subsidy outlays	-218	-205	-181
Administrative expense data:			
351001 Budget authority	11	11	11
359001 Outlays from new authority	11	11	11

As required by the Federal Credit Reform Act of 1990, this account records the administrative expenses of this program. The administrative expenses are estimated on a cash basis.

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 86-0186-2-1-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.09 Administrative expenses, salaries and expenses			43
10.00 Total new obligations (object class 25.2)			43
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			43
23.95 Total new obligations			-43
New budget authority (gross), detail:			
Discretionary:			
40.20 Appropriation (special fund)			43
Change in obligated balances:			
73.10 Total new obligations			43
73.20 Total outlays (gross)			-43
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			43
Net budget authority and outlays:			
89.00 Budget authority			43
90.00 Outlays			43

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

Identification code 86-0186-2-1-371	2005 actual	2006 est.	2007 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Ginnie Mae mortgage-backed securities			
215901 Total loan guarantee levels			
Guaranteed loan subsidy (in percent):			
232001 Ginnie Mae mortgage-backed securities			-0.06

232901 Appropriation [S&E]	-0.06
Guaranteed loan subsidy budget authority:	
233001 Ginnie Mae mortgage-backed securities	-54
233901 Total subsidy budget authority	-54
Guaranteed loan subsidy outlays:	
234001 Ginnie Mae mortgage-backed securities	-54
234002 Standby commitment authority	
234901 Total subsidy outlays	-54
Administrative expense data:	
351001 Budget authority	43
359001 Outlays from new authority	43

2143 Uncommitted limitation carried forward	-178,467	-200,000	-100,000
2150 Total guaranteed loan commitments	112,519	178,467	200,000
2199 Guaranteed amount of guaranteed loan commitments	112,519	178,467	200,000
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	453,163	412,304	395,247
2231 Disbursements of new guaranteed loans	90,286	89,000	86,000
2251 Repayments and prepayments	-131,145	-106,057	-76,100
2290 Outstanding, end of year	412,304	395,247	405,147
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	412,304	395,247	405,147

GUARANTEES OF MORTGAGE-BACKED SECURITIES FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4240-0-3-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.03 Advances and other	39	49	59
00.04 Operating expenses	19	27	28
00.91 Direct Program by Activities—Subtotal (1 level)	58	76	87
08.01 Payment to receipt account for negative subsidy	219	205	181
08.02 Deduction for prior year's overpayment to receipt account		-11	
08.91 Direct Program by Activities—Subtotal (1 level)	219	194	181
10.00 Total new obligations	277	270	268
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	810	965	1,098
22.00 New financing authority (gross)	432	403	405
23.90 Total budgetary resources available for obligation	1,242	1,368	1,503
23.95 Total new obligations	-277	-270	-268
24.40 Unobligated balance carried forward, end of year	965	1,098	1,235
New financing authority (gross), detail:			
Mandatory:			
69.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)	432	403	405
Change in obligated balances:			
72.40 Obligated balance, start of year	58	51	62
73.10 Total new obligations	277	270	268
73.20 Total financing disbursements (gross)	-284	-259	-262
74.40 Obligated balance, end of year	51	62	68
87.00 Total financing disbursements (gross)	284	259	262

Identification code 86-4240-0-3-371	2005 actual	2006 est.	2007 est.
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.25 Interest on uninvested funds	-49	-55	-62
88.40 Guarantee Fees	-285	-246	-233
88.40 Commitment and other fees	-31	-24	-28
88.40 Multiclass fees	-21	-22	-23
88.40 Repayment of advances	-32	-42	-43
88.40 Servicing Fees	-2	-2	-4
88.40 Repayment on Mortgages	-12	-12	-12
88.90 Total, offsetting collections (cash)	-432	-403	-405
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	-149	-144	-143

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4240-0-3-371	2005 actual	2006 est.	2007 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	200,000	200,000	100,000
2121 Limitation available from carry-forward	90,986	178,467	200,000

Balance Sheet (in millions of dollars)

Identification code 86-4240-0-3-371	2004 actual	2005 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	868	1,016
1206 Non-Federal assets: Receivables, net	25	29
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:		
1601 Direct loans, gross	40	37
1603 Allowance for estimated uncollectible loans and interest (-)	-7	-8
1699 Value of assets related to direct loans	33	29
1803 Other Federal assets: Property, plant and equipment, net	385	382
1999 Total assets	1,311	1,456
LIABILITIES:		
Non-Federal liabilities:		
2201 Accounts payable	82	92
2207 Other	398	382
2999 Total liabilities	480	474
NET POSITION:		
3300 Cumulative results of operations	831	982
3999 Total net position	831	982
4999 Total liabilities and net position	1,311	1,456

Note.—Ginnie Mae guarantees the timely payment of principal and interest installments on securities which are backed by FHA-insured, Rural Housing Service-insured, and VA-guaranteed mortgages. Such guarantees are excluded from the Government total of guaranteed obligations duplicating FHA, Rural Housing Service, and VA guarantees.

GUARANTEES OF MORTGAGE-BACKED SECURITIES FINANCING ACCOUNT

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 86-4240-2-3-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
08.01 Payment to receipt account for negative subsidy			54
10.00 Total new obligations			54
Budgetary resources available for obligation:			
22.00 New financing authority (gross)			54
23.95 Total new obligations			-54
New financing authority (gross), detail:			
Mandatory:			
69.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)			54
Change in obligated balances:			
73.10 Total new obligations			54
74.40 Obligated balance, end of year			54
87.00 Total financing disbursements (gross)			
Offsets:			
Against gross financing authority and financing disbursements:			
88.40 Offsetting collections (cash) from: Upfront fees			-54

Credit accounts—Continued

GUARANTEES OF MORTGAGE-BACKED SECURITIES FINANCING
ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 86-4240-2-3-371	2005 actual	2006 est.	2007 est.
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements			-54

GUARANTEES OF MORTGAGE-BACKED SECURITIES LIQUIDATING
ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4238-0-3-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Administrative contract expenses	43	57	43
Operating expenses:			
00.03 Servicing expenses	2	3	4
00.91 Total operating expenses	45	60	47
Capital investment:			
01.01 Advances of guaranty payments	6	45	45
10.00 Total new obligations	51	105	92
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	7,543	7,918	8,306
22.00 New budget authority (gross)	426	493	481
23.90 Total budgetary resources available for obligation	7,969	8,411	8,787
23.95 Total new obligations	-51	-105	-92
24.40 Unobligated balance carried forward, end of year	7,918	8,306	8,695
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation		57	43
Mandatory:			
69.00 Spending authority from offsetting collections: Offsetting collections (cash)	426	436	438
70.00 Total new budget authority (gross)	426	493	481
Change in obligated balances:			
72.40 Obligated balance, start of year ¹	-22	-8	-104
73.10 Total new obligations	51	105	92
73.20 Total outlays (gross)	-37	-201	-146
74.40 Obligated balance, end of year	-8	-104	-158
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	37	114	86
86.98 Outlays from mandatory balances		87	60
87.00 Total outlays (gross)	37	201	146
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.20 Interest on Federal securities	-408	-420	-427
88.40 Repayments of guaranteed payments	-13	-12	-8
88.40 Servicing income	-2	-2	-1
88.40 Repayments on mortgages	-3	-2	-2
88.90 Total, offsetting collections (cash)	-426	-436	-438
Net budget authority and outlays:			
89.00 Budget authority		57	43
90.00 Outlays	-390	-235	-292
Memorandum (non-add) entries:			
92.01 Total investments, start of year: Federal securities:			
Par value	7,562	7,949	8,267
92.02 Total investments, end of year: Federal securities:			
Par value	7,949	8,267	8,597

Summary of Budget Authority and Outlays

(in millions of dollars)

	2005 actual	2006 est.	2007 est.
Enacted/requested:			
Budget Authority		57	43
Outlays	-389	-235	-292
Legislative proposal, not subject to PAYGO:			
Budget Authority			-43
Outlays			-43
Total:			
Budget Authority		57	
Outlays	-389	-235	-335

Status of Direct Loans (in millions of dollars)

Identification code 86-4238-0-3-371	2005 actual	2006 est.	2007 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	12	10	11
1232 Disbursements: Purchase of loans assets from the public	6	45	45
1252 Repayments: Proceeds from loan asset sales to the public or discounted	-8	-8	-8
1263 Write-offs for default: Direct loans		-36	-27
1290 Outstanding, end of year	10	11	21

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4238-0-3-371	2005 actual	2006 est.	2007 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	96	82	67
2251 Repayments and prepayments	-14	-15	-15
2290 Outstanding, end of year	82	67	52
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year ¹	82	67	52

Balance Sheet (in millions of dollars)

Identification code 86-4238-0-3-371	2004 actual	2005 actual
ASSETS:		
Federal assets:		
Investments in US securities:		
1102 Treasury securities, par	7,540	7,921
1106 Receivables, net	63	50
1206 Non-Federal assets: Receivables, net	7	11
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:		
1601 Direct loans, gross	12	10
1603 Allowance for estimated uncollectible loans and interest (-)	-9	-9
1699 Value of assets related to direct loans	3	1
1999 Total assets	7,613	7,983
LIABILITIES:		
Non-Federal liabilities:		
2201 Accounts payable	38	42
2207 Other	505	509
2999 Total liabilities	543	551
NET POSITION:		
3300 Cumulative results of operations	7,070	7,432
3999 Total net position	7,070	7,432
4999 Total liabilities and net position	7,613	7,983

Note.—Ginnie Mae guarantees the timely payment of principal and interest installments on securities which are backed by FHA-insured, Rural Housing Service, and VA-guaranteed mortgages. Such guarantees are excluded from the Government total of guaranteed obligations duplicating FHA, Rural Housing Service, and VA guarantees.

Object Classification (in millions of dollars)

Identification code 86-4238-0-3-371	2005 actual	2006 est.	2007 est.
25.2 Other services	45	60	47

¹ This line nets unpaid obligations and offsetting collections from new Federal sources.

33.0	Investments and loans	6	45	45
99.9	Total new obligations	51	105	92

GUARANTEES OF MORTGAGE-BACKED SECURITIES LIQUIDATING ACCOUNT

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 86-4238-2-3-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Administrative contract expenses			-43
10.00 Total new obligations (object class 25.2)			-43
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			-43
23.95 Total new obligations			43
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			-43
Change in obligated balances:			
73.10 Total new obligations			-43
73.20 Total outlays (gross)			43
74.40 Obligated balance, end of year			
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			-43
Net budget authority and outlays:			
89.00 Budget authority			-43
90.00 Outlays			-43

POLICY DEVELOPMENT AND RESEARCH

Federal Funds

General and special 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, as amended (12 U.S.C. 1701z-1 et seq.), including carrying out the functions of the Secretary under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, **[\$56,350,000]** **\$68,360,000**, to remain available until September 30, **[2007]** **2008: Provided, [That of the total amount provided under this heading, \$5,000,000 shall be for the Partnership for Advancing Technology in Housing (PATH) Initiative: Provided further, That of the amounts made available for PATH under this heading, \$2,500,000 shall not be subject to the requirements of section 305 of this title: Provided further, That the Office of Housing shall administer PATH: Provided further, That of funds made available under this heading, \$750,000 shall be transferred to the National Research Council for a study in accordance with the statement of the managers accompanying this Act: Provided further,] That of the funds made available under this heading, **[\$20,600,000]** **\$28,710,000** is for grants pursuant to section 107 of the Housing and Community Development Act of 1974, as amended, as follows: **[\$3,000,000]** **\$2,970,000** to support Alaska Native serving institutions and Native Hawaiian serving institutions as defined under the Higher Education Act, as amended; **[\$2,600,000]** **\$2,574,000** for tribal colleges and universities to build, expand, renovate, and equip their facilities and to expand the role of the colleges into the community through the provision of needed services such as health programs, job training and economic development activities; **[\$9,000,000]** **\$8,910,000** for the Historically Black Colleges and Universities program, of which up to **[\$2,000,000]** **\$990,000** may be used for technical assistance; **[and \$6,000,000]** **\$5,940,000** for the Hispanic Serving Institutions Program; **\$5,940,000** for the Community Outreach Partnership Center Program; and **\$2,376,000** for the Community Development Work Study Program:**

Provided further, That activities for the Partnership for Advancing Technology in Housing Initiative shall be administered by the Office of Policy Development and Research. (Department of Housing and Urban Development Appropriations Act, 2006.)

Program and Financing (in millions of dollars)

Identification code 86-0108-0-1-451	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Housing Research	37	33	39
00.02 PATH	9	6	
00.03 University Programs		20	29
10.00 Total new obligations	46	59	68
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	5	4	
22.00 New budget authority (gross)	45	55	68
23.90 Total budgetary resources available for obligation	50	59	68
23.95 Total new obligations	-46	-59	-68
24.40 Unobligated balance carried forward, end of year	4		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	46	56	68
40.33 Appropriation permanently reduced (P.L. 109-148)		-1	
40.35 Appropriation permanently reduced	-1		
43.00 Appropriation (total discretionary)	45	55	68
Change in obligated balances:			
72.40 Obligated balance, start of year	36	34	44
73.10 Total new obligations	46	59	68
73.20 Total outlays (gross)	-47	-49	-62
73.40 Adjustments in expired accounts (net)	-1		
74.40 Obligated balance, end of year	34	44	50
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	24	22	28
86.93 Outlays from discretionary balances	23	27	34
87.00 Total outlays (gross)	47	49	62
Net budget authority and outlays:			
89.00 Budget authority	45	55	68
90.00 Outlays	47	49	62

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 and through contracts with industry, nonprofit research organizations, and educational institutions, and through agreements with State and local governments and other Federal agencies.

In 2007, the research program includes funds for program evaluations and for work related to the removal of barriers to affordable housing. National housing surveys will continue in 2007. Set-aside funds are not requested for the Partnership for Advancing Technology (PATH) program in 2007, but PATH will remain an eligible activity under the Research and Technology account and will be administered by the Office of Policy Development and Research. Research and evaluation activities will support the Department in carrying out its responsibilities under the Government Performance and Results Act.

As in 2006 the University Partnership Program grants will be funded from the Research and Technology account. These grants, pursuant to Section 107 of the Housing and Community Development Act of 1974, were funded prior to 2006 under the Community Development Block Grant account. These programs were and will continue to be administered by the Office of Policy Development and Research. The University Partnership Programs provide grants to colleges and universities to assist institutions of higher education in forming partnerships with the communities in which they are

General and special funds—Continued

RESEARCH AND TECHNOLOGY—Continued

located to undertake a range of activities that foster and achieve neighborhood development and revitalization. Funds also support a work study program for disadvantaged and minority students in graduate level community building curricula. The University Partnership Programs include the following: Alaska Native and Native Hawaiian Serving Institutions program, Tribal Colleges and University program, Historically Black Colleges and Universities program, Community Outreach Partnerships program, Hispanic Serving Institutions program and the Community Development Work Study Program.

Object Classification (in millions of dollars)

Identification code 86-0108-0-1-451	2005 actual	2006 est.	2007 est.
25.2 Other services	43	36	37
41.0 Grants, subsidies, and contributions	3	23	31
99.9 Total new obligations	46	59	68

FAIR HOUSING AND EQUAL OPPORTUNITY

Federal Funds

General and special 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, **[\$46,000,000] \$44,550,000**, to remain available until September 30, **[2007] 2008**, of which **[\$20,000,000] \$19,800,000** shall be to carry out activities pursuant to such section 561: *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. (Department of Housing and Urban Development Appropriations Act, 2006.)*

Program and Financing (in millions of dollars)

Identification code 86-0144-0-1-751	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Fair housing assistance	24	25	26
00.02 Fair housing initiatives	21	22	22
10.00 Total new obligations (object class 41.0)	45	47	48
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	8	10	9
22.00 New budget authority (gross)	46	46	45
22.10 Resources available from recoveries of prior year obligations	2		
23.90 Total budgetary resources available for obligation	56	56	54
23.95 Total new obligations	-45	-47	-48
23.98 Unobligated balance expiring or withdrawn	-1		
24.40 Unobligated balance carried forward, end of year	10	9	6
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	47	46	45
40.35 Appropriation permanently reduced	-1		
43.00 Appropriation (total discretionary)	46	46	45
Change in obligated balances:			
72.40 Obligated balance, start of year	65	61	62
73.10 Total new obligations	45	47	48
73.20 Total outlays (gross)	-47	-46	-46
73.45 Recoveries of prior year obligations	-2		

74.40	Obligated balance, end of year	61	62	64
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	1	3	3
86.93	Outlays from discretionary balances	46	43	43
87.00	Total outlays (gross)	47	46	46
Net budget authority and outlays:				
89.00	Budget authority	46	46	45
90.00	Outlays	47	46	46

The Budget proposes an appropriation of \$44.5 million in 2007 to fund fair housing activities that support efforts to end housing discrimination. Of the amount requested, \$24.75 million is for the Fair Housing Assistance Program and \$19.8 million is for the Fair Housing Initiatives Program.

The Fair Housing Assistance Program (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.

The funding requested for FHAP will support fair housing enforcement by increasing funding to support additional State and local fair housing organizations to meet the needs of currently underserved populations. It will also address the persistent high rate of discrimination against minorities as identified by the 2000 Housing Discrimination Study. It is estimated that the number of new State and local agencies with laws equivalent to the Fair Housing Act will increase to 108 in 2007 from 106 in 2006.

The Fair Housing Initiatives Program (FHIP), authorized by the Housing and Community Development Act of 1987, as amended by the Housing and Community Development Act of 1992, provides support to public and private organizations for the purpose of eliminating or preventing discrimination in housing and for enhancing fair housing opportunities. FHIP provides funding for projects that inform and educate the public, including housing providers, on the rights and obligations of the Fair Housing Act and about substantially equivalent state and local fair housing laws.

OFFICE OF LEAD HAZARD CONTROL

Federal Funds

General and special 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, **[\$152,000,000] \$114,840,000**, to remain available until September 30, **[2007] 2008**, of which **[\$9,500,000] \$8,712,000** 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 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 competitive basis for areas with the highest lead paint abatement needs, as identified by the Secretary as having: (1) the highest number of occupied pre-1940 units of rental housing; and (2) a disproportionately high number of documented cases of lead-poisoned children: Provided further, That each grantee receiving funds under the previous proviso shall target those privately owned units and multifamily buildings that are occupied by low-income fami-*

lies as defined under section 3(b)(2) of the United States Housing Act of 1937: *Provided further*, That not less than 90 percent of the funds made available under this paragraph shall be used exclusively for abatement, inspections, risk assessments, temporary relocations and interim control of lead-based hazards as defined by 42 U.S.C. 4851: *Provided further*, That each recipient of funds provided under the first proviso shall make a matching contribution in an amount not less than 25 percent: *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. (Department of Housing and Urban Development Appropriations Act, 2006.)

Program and Financing (in millions of dollars)

Identification code 86-0174-0-1-451	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Lead abatement	29	211	165
10.00 Total new obligations (object class 41.0)	29	211	165
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	10	159	98
22.00 New budget authority (gross)	167	150	115
22.10 Resources available from recoveries of prior year obligations	12		
23.90 Total budgetary resources available for obligation	189	309	213
23.95 Total new obligations	-29	-211	-165
24.40 Unobligated balance carried forward, end of year	159	98	48
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	168	152	115
40.33 Appropriation permanently reduced (P.L. 109-148)		-2	
40.35 Appropriation permanently reduced	-1		
43.00 Appropriation (total discretionary)	167	150	115
Change in obligated balances:			
72.40 Obligated balance, start of year	429	313	385
73.10 Total new obligations	29	211	165
73.20 Total outlays (gross)	-133	-139	-150
73.40 Adjustments in expired accounts (net)	-1		
73.45 Recoveries of prior year obligations	-12		
74.40 Obligated balance, end of year	313	385	400
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority		3	2
86.93 Outlays from discretionary balances	133	136	148
87.00 Total outlays (gross)	133	139	150
Net budget authority and outlays:			
89.00 Budget authority	167	150	115
90.00 Outlays	133	139	150

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 hazards in their homes.

The program is a major part of a 10-year strategy to eliminate lead poisoning in children. The 2007 Budget includes \$91.67 million for HUD's Lead Hazard Control Program competitive grants and \$8.71 million for operation LEAP. The Technical Support Program is funded at \$5.74 million and the Healthy Homes Initiative is funded at \$8.71 million. Operation LEAP funds will be used to leverage other private and public sector resources for the lead hazard control program.

The Lead Hazard Control Grant Program provides grants of \$1 million to \$2.5 million to State and local governments and Indian tribes for control of lead-based paint hazards in privately owned, low-income owner-occupied and rental housing. The grants are also designed to stimulate the develop-

ment 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.

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, that enables the public to act effectively to protect their children from exposure to hazards, will also be conducted.

The Office of Healthy Homes and Lead Hazard Control will continue its Technical Support program, which will include public education; technical assistance for State and local agencies, private property owners, HUD programs and field offices and professional organizations; 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

General and special funds:

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

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 therefore, as authorized by 5 U.S.C. 5901-5902; hire of passenger motor vehicles; services as authorized by 5 U.S.C. 3109; and not to exceed \$25,000 for official reception and representation expenses, **[\$1,153,285,000]** *\$1,161,800,000*, of which **[\$562,400,000]** *\$556,776,000* shall be provided from the various funds of the Federal Housing Administration, **[\$10,700,000]** *\$10,593,000* shall be provided from funds of the Government National Mortgage Association, **[\$750,000]** shall be from the "community development loan guarantee program" account, **\$150,000]** *\$148,500* shall be provided by transfer from the "Native American housing block grants" account, **[\$250,000]** *\$247,500* shall be provided by transfer from the "Indian housing loan guarantee fund program" account and \$35,000 shall be transferred from the "Native Hawaiian housing loan guarantee fund" account: *Provided*, That **[\$]** funds made available under this heading shall only be allocated in the manner specified in the statement of the managers accompanying this Act unless the Committees on Appropriations of both the House of Representatives and the Senate are notified of any changes in an operating plan or reprogramming: *Provided further*, That **no** official or employee of the Department shall be designated as an allotment holder unless the Office of the Chief Financial Officer (OCFO) has determined that such allotment holder has implemented an adequate system of funds control and has received training in funds control procedures and directives: *Provided further*, That the Chief Financial Officer shall establish positive control of and maintain adequate systems of accounting for appropriations and other available funds as required by 31 U.S.C. 1514: *Provided further*, That for purposes of funds control and determining whether a violation exists under the Anti-Deficiency Act (31 U.S.C. 1341 et seq.), the point of obligation shall be the executed agreement or contract, except with respect to insurance and guarantee programs, certain types of salaries and expenses funding, and incremental funding that is authorized under an executed agreement or contract, and shall be designated in the approved funds control plan: *Provided further*, That the Chief Financial Officer shall: (1) appoint qualified personnel to conduct investigations of potential or actual violations; (2) establish minimum training requirements and other qualifications for personnel that may be appointed to conduct investigations; (3) establish guidelines and timeframes for the conduct and completion of investigations; (4) prescribe the content, format and other requirements for the submission of final reports on violations; and (5) prescribe such additional policies and procedures as may be required

General and special funds—Continued

SALARIES AND EXPENSES—Continued

(INCLUDING TRANSFER OF FUNDS)—Continued

for conducting investigations of, and administering, processing, and reporting on, potential and actual violations of the Anti-Deficiency Act and all other statutes and regulations governing the obligation and expenditure of funds made available in this or any other Act: *Provided further*, That up to \$15,000,000 may be transferred to the Working Capital Fund: *Provided further*, That the Secretary shall fill 7 out of 10 vacancies at the GS-14 and GS-15 levels until the total number of GS-14 and GS-15 positions in the Department has been reduced from the number of GS-14 and GS-15 positions on the date of enactment of Public Law 106-377 by 2½ percent. (*Department of Housing and Urban Development Appropriations Act, 2006.*)

Program and Financing (in millions of dollars)

Identification code 86-0143-0-1-999	2005 actual	2006 est.	2007 est.
Direct program:			
Direct program:			
00.01 Housing, mortgage credit, regulatory and energy conservation	243	257	266
00.02 Community planning and development programs	42	44	46
00.03 Equal opportunity and research programs	43	46	48
00.04 Departmental management, legal and audit services	49	52	54
00.05 Field direction and administration	164	174	180
09.01 Reimbursable program	571	569	568
09.99 Total reimbursable program	571	569	568
10.00 Total new obligations	1,112	1,142	1,162
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	1,116	1,142	1,162
23.95 Total new obligations	-1,112	-1,142	-1,162
23.98 Unobligated balance expiring or withdrawn	-5		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	547	579	594
40.33 Appropriation permanently reduced (P.L. 109-148)	-6		
40.35 Appropriation permanently reduced	-4		
43.00 Appropriation (total discretionary)	543	573	594
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	573	569	568
70.00 Total new budget authority (gross)	1,116	1,142	1,162
Change in obligated balances:			
72.40 Obligated balance, start of year	129	117	133
73.10 Total new obligations	1,112	1,142	1,162
73.20 Total outlays (gross)	-1,118	-1,126	-1,158
73.40 Adjustments in expired accounts (net)	-6		
74.40 Obligated balance, end of year	117	133	137
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	991	1,010	1,026
86.93 Outlays from discretionary balances	127	116	132
87.00 Total outlays (gross)	1,118	1,126	1,158
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-573	-569	-568
Net budget authority and outlays:			
89.00 Budget authority	543	573	594
90.00 Outlays	545	557	590

Summary of Budget Authority and Outlays

(in millions of dollars)

	2005 actual	2006 est.	2007 est.
Enacted/requested:			
Budget Authority	543	573	594
Outlays	545	557	590
Legislative proposal, not subject to PAYGO:			
Budget Authority			-6

Outlays			-6
Total:			
Budget Authority	543	573	588
Outlays	545	557	584

This appropriation finances all salaries and related costs associated with administering the programs of the Department of Housing and Urban Development, including: housing and mortgage credit programs; community planning and development programs; equal opportunity, research, regulatory and insurance programs; departmental management, and legal services; and, field direction and administration.

Object Classification (in millions of dollars)

Identification code 86-0143-0-1-999	2005 actual	2006 est.	2007 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	339	360	374
11.3 Other than full-time permanent	3	4	4
11.5 Other personnel compensation	7	7	8
11.9 Total personnel compensation	349	371	386
12.1 Civilian personnel benefits	87	92	96
21.0 Travel and transportation of persons	8	8	8
23.1 Rental payments to GSA	47	52	53
23.3 Communications, utilities, and miscellaneous charges	12	14	13
24.0 Printing and reproduction	3	2	2
25.1 Advisory and assistance services	25	25	26
25.2 Other services	1	1	1
25.3 Other purchases of goods and services from Government accounts	1		
25.4 Operation and maintenance of facilities	4	4	4
25.7 Operation and maintenance of equipment			1
26.0 Supplies and materials	2	2	2
31.0 Equipment	2	2	1
42.0 Insurance claims and indemnities			1
99.0 Direct obligations	541	573	594
99.0 Reimbursable obligations	571	569	568
99.9 Total new obligations	1,112	1,142	1,162

Personnel Summary

Identification code 86-0143-0-1-999	2005 actual	2006 est.	2007 est.
Direct:			
1001 Civilian full-time equivalent employment	4,252	4,183	4,136
Reimbursable:			
2001 Civilian full-time equivalent employment	4,490	4,417	4,369

SALARIES AND EXPENSES

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 86-0143-2-1-999	2005 actual	2006 est.	2007 est.
Direct program:			
01.01 Direct Program Activity			-6
10.00 Total new obligations			-6
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			-6
23.95 Total new obligations			6
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			-6
Change in obligated balances:			
73.10 Total new obligations			-6
73.20 Total outlays (gross)			6
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			-6
Net budget authority and outlays:			
89.00 Budget authority			-6

90.00 Outlays -6

Upon enactment of the Budget proposal for a strengthened regulator for Government-sponsored enterprises (GSEs), it is expected that the cost of HUD's responsibilities under the Federal Housing Enterprise Safety and Soundness Act of 1992, and amendments as proposed, would be assessed on Fannie Mae and Freddie Mac. These responsibilities include the establishment and enforcement of affordable housing goals for the GSEs, ensuring GSE compliance with fair housing laws, and providing consultation to the safety and soundness regulator on the GSEs new activities. The cost of these regulatory responsibilities is currently in HUD Salaries and Expenses as a non-reimbursable expense.

Object Classification (in millions of dollars)

Identification code 86-0143-2-1-999	2005 actual	2006 est.	2007 est.
11.1 Personnel compensation: Full-time permanent			-3
12.1 Civilian personnel benefits			-1
25.1 Advisory and assistance services			-2
99.9 Total new obligations			-6

Personnel Summary

Identification code 86-0143-2-1-999	2005 actual	2006 est.	2007 est.
Direct:			
1001 Civilian full-time equivalent employment			-32

OFFICE OF INSPECTOR GENERAL
(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, **[\$106,000,000] \$107,000,000**, of which **[\$24,000,000] \$23,760,000** shall be provided from the various funds of the Federal Housing Administration: *Provided*, That the Inspector General shall have independent authority over all personnel issues within this office]. (Department of Housing and Urban Development Appropriations Act, 2006.)

Program and Financing (in millions of dollars)

Identification code 86-0189-0-1-451	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Direct program	79	81	83
09.01 Reimbursable program	24	24	24
10.00 Total new obligations	103	105	107

Budgetary resources available for obligation:

22.00 New budget authority (gross)	103	105	107
23.95 Total new obligations	-103	-105	-107

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	80	82	83
40.33 Appropriation permanently reduced (P.L. 109-148)		-1	
40.35 Appropriation permanently reduced	-1		
43.00 Appropriation (total discretionary)	79	81	83
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	24	24	24
70.00 Total new budget authority (gross)	103	105	107

Change in obligated balances:

72.40 Obligated balance, start of year	19	16	19
73.10 Total new obligations	103	105	107
73.20 Total outlays (gross)	-102	-102	-107
73.40 Adjustments in expired accounts (net)	-4		
74.40 Obligated balance, end of year	16	19	19

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	88	86	88
86.93 Outlays from discretionary balances	14	16	19
87.00 Total outlays (gross)	102	102	107

Offsets:

Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-24	-24	-24

Net budget authority and outlays:

89.00 Budget authority	79	81	83
90.00 Outlays	78	78	83

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.

Object Classification (in millions of dollars)

Identification code 86-0189-0-1-451	2005 actual	2006 est.	2007 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	40	43	45
11.5 Other personnel compensation	4	4	4
11.9 Total personnel compensation	44	47	49
12.1 Civilian personnel benefits	13	14	14
21.0 Travel and transportation of persons	3	4	4
23.1 Rental payments to GSA	7	6	6
25.1 Advisory and assistance services	10	9	9
25.2 Other services	1	1	1
26.0 Supplies and materials	1		
99.0 Direct obligations	79	81	83
99.0 Reimbursable obligations	24	24	24
99.9 Total new obligations	103	105	107

Personnel Summary

Identification code 86-0189-0-1-451	2005 actual	2006 est.	2007 est.
Direct:			
1001 Civilian full-time equivalent employment	495	493	490
Reimbursable:			
2001 Civilian full-time equivalent employment	142	141	140

GSE REGULATION

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 86-0142-2-1-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
09.00 GSE regulation expenses			6
10.00 Total new obligations			6

Budgetary resources available for obligation:

22.00 New budget authority (gross)			6
23.95 Total new obligations			-6

New budget authority (gross), detail:

Mandatory:			
69.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)			6

Change in obligated balances:

73.10 Total new obligations			6
73.20 Total outlays (gross)			-6

General and special funds—Continued

GSE REGULATION—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 86-0142-2-1-371	2005 actual	2006 est.	2007 est.
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			6
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources			-6
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

Object Classification (in millions of dollars)

Identification code 86-0142-2-1-371	2005 actual	2006 est.	2007 est.
99.0 Reimbursable obligations: Reimbursable obligations ...			6
99.9 Total new obligations			6

Personnel Summary

Identification code 86-0142-2-1-371	2005 actual	2006 est.	2007 est.
Reimbursable:			
2001 Civilian full-time equivalent employment			32

OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For carrying out the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, including not to exceed \$500 for official reception and representation expenses, \$60,000,000, to remain available until expended, to be derived from the Federal Housing Enterprises Oversight Fund: *Provided*, That the Director shall submit a spending plan for the amounts provided under this heading no later than January 15, 2006: *Provided further*, That not less than 80 percent of the total amount made available under this heading shall be used only for examination, supervision, and capital oversight of the enterprises (as such term is defined in section 1303 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4502)) to ensure that the enterprises are operating in a financially safe and sound manner and complying with the capital requirements under Subtitle B of such Act: *Provided further*, That not to exceed the amount provided herein 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: *Provided further*, That the general fund amount shall be reduced as collections are received during the fiscal year so as to result in a final appropriation from the general fund estimated at not more than \$0. (Department of Housing and Urban Development Appropriations Act, 2006.)

Special and Trust Fund Receipts (in millions of dollars)

Identification code 86-5272-0-2-371	2005 actual	2006 est.	2007 est.
01.00 Balance, start of year			
01.99 Balance, start of year			
Receipts:			
02.00 Office of Federal Housing Enterprise Oversight	64	60	62
02.01 Office of Federal Housing Enterprise Oversight—legislative proposal not subject to PAYGO			-62
02.99 Total receipts and collections	64	60	
Appropriations:			
05.00 Office of Federal Housing Enterprise Oversight	-64	-60	-62
05.01 Office of Federal Housing Enterprise Oversight—legislative proposal not subject to PAYGO			62
05.99 Total appropriations	-64	-60	

07.99 Balance, end of year

Program and Financing (in millions of dollars)

Identification code 86-5272-0-2-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Direct program	64	60	62
10.00 Total new obligations	64	60	62
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	64	60	62
23.95 Total new obligations	-64	-60	-62
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.20 Appropriation (special fund)	64	60	62
Change in obligated balances:			
72.40 Obligated balance, start of year	8	24	14
73.10 Total new obligations	64	60	62
73.20 Total outlays (gross)	-48	-70	-62
74.40 Obligated balance, end of year	24	14	14
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	41	52	54
86.93 Outlays from discretionary balances	7	18	8
87.00 Total outlays (gross)	48	70	62
Net budget authority and outlays:			
89.00 Budget authority	64	60	62
90.00 Outlays	48	70	62

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	2005 actual	2006 est.	2007 est.
Budget Authority	64	60	62
Outlays	48	70	62
Legislative proposal, not subject to PAYGO:			
Budget Authority			-62
Outlays			-62
Total:			
Budget Authority	64	60	
Outlays	48	70	

The Office of Federal Housing Enterprise Oversight (OFHEO) was authorized in the Federal Housing Enterprise Safety and Soundness Act of 1992. OFHED was established in 1992 to regulate the financial safety and soundness of two housing Government-sponsored enterprises (GSEs)—Fannie Mae and Freddie Mac. OFHEO is required to ensure that the GSEs meet capital standards, and to conduct onsite annual examinations at the GSEs for the purpose of ensuring their financial safety and soundness.

The Budget proposes a new strengthened housing GSE regulator as an independent agency. All OFHEO resources would be transferred to it. The Administration continues to support direct funding of these activities with mandatory assessments on Fannie Mae and Freddie Mac.

Object Classification (in millions of dollars)

Identification code 86-5272-0-2-371	2005 actual	2006 est.	2007 est.
Direct obligations:			
11.1 Personnel compensation: Personnel Compensation	24	32	33
12.1 Civilian personnel benefits	6	7	9
23.2 Rental payments to others	5	5	6
25.2 Other services	17	7	8
31.0 Equipment	9	6	4
32.0 Land and structures	2	1	
99.0 Direct obligations	63	58	60
99.5 Below reporting threshold	1	2	2

99.9	Total new obligations	64	60	62
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Personnel Summary

Identification code 86-5272-0-2-371	2005 actual	2006 est.	2007 est.
Direct:			
1001 Civilian full-time equivalent employment	198	251	256

OFFICE OF FEDERAL HOUSING, ENTERPRISE OVERSIGHT
SALARIES AND EXPENSES
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 86-5272-2-2-371	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Direct program			- 62
10.00 Total new obligations			- 62
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			- 62
23.95 Total new obligations			62
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.20 Appropriation (special fund)			- 62
Change in obligated balances:			
73.10 Total new obligations			- 62
73.20 Total outlays (gross)			62
73.31 Obligated balance transferred to other accounts			- 14
74.40 Obligated balance, end of year			- 14
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			- 54
86.93 Outlays from discretionary balances			- 8
87.00 Total outlays (gross)			- 62
Net budget authority and outlays:			
89.00 Budget authority			- 62
90.00 Outlays			- 62

Object Classification (in millions of dollars)

Identification code 86-5272-2-2-371	2005 actual	2006 est.	2007 est.
Direct obligations:			
11.1 Personnel compensation: Personnel Compensation			- 33
12.1 Civilian personnel benefits			- 9
23.2 Rental payments to others			- 6
25.2 Other services			- 8
31.0 Equipment			- 4
99.0 Direct obligations			- 60
99.5 Below reporting threshold			- 2
99.9 Total new obligations			- 62

Personnel Summary

Identification code 86-5272-2-2-371	2005 actual	2006 est.	2007 est.
Direct:			
1001 Civilian full-time equivalent employment			- 256

Intragovernmental funds:

WORKING CAPITAL FUND

For additional capital for the Working Capital Fund (42 U.S.C. 3535) for the development of, modifications to, and infrastructure for Department-wide information technology systems, for the con-

tinuing operation and maintenance of both Department-wide and program-specific information systems, and for program-related development activities, **[\$197,000,000] \$219,780,000**, to remain available until September 30, **[2007] 2008: 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. (*Department of Housing and Urban Development Appropriations Act, 2006.*)

Program and Financing (in millions of dollars)

Identification code 86-4586-0-4-451	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Direct program activity	273	199	222
09.01 Reimbursable program	71	57	79
10.00 Total new obligations	344	256	301
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	32	20	22
22.00 New budget authority (gross)	315	246	289
22.10 Resources available from recoveries of prior year obligations	17	12	12
23.90 Total budgetary resources available for obligation	364	278	323
23.95 Total new obligations	- 344	- 256	- 301
24.40 Unobligated balance carried forward, end of year	20	22	22
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	270	197	220
40.33 Appropriation permanently reduced (P.L. 109-148)		- 2	
40.35 Appropriation permanently reduced	- 2		
43.00 Appropriation (total discretionary)	268	195	220
Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (cash)	55	51	69
68.10 Change in uncollected customer payments from Federal sources (unexpired)	- 8		
68.90 Spending authority from offsetting collections (total discretionary)	47	51	69
70.00 Total new budget authority (gross)	315	246	289
Change in obligated balances:			
72.40 Obligated balance, start of year	240	258	238
73.10 Total new obligations	344	256	301
73.20 Total outlays (gross)	- 317	- 264	- 275
73.45 Recoveries of prior year obligations	- 17	- 12	- 12
74.00 Change in uncollected customer payments from Federal sources (unexpired)	8		
74.40 Obligated balance, end of year	258	238	252
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	138	176	204
86.93 Outlays from discretionary balances	179	88	71
87.00 Total outlays (gross)	317	264	275
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	- 55	- 51	- 69
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	8		
Net budget authority and outlays:			
89.00 Budget authority	268	195	220
90.00 Outlays	262	213	206

The Working Capital Fund, authorized by the Department of Housing and Urban Development Act of 1965, finances information technology and office automation initiatives which can be performed more efficiently on a centralized basis. Since 2003, a direct appropriation has been requested for the oper-

Intragovernmental funds—Continued

WORKING CAPITAL FUND—Continued

ations of the computer system and for development and modifications of Department-wide systems. Fees have continued for services to develop and modify systems where the benefit is limited to a specific program.

Object Classification (in millions of dollars)

Identification code 86-4586-0-4-451	2005 actual	2006 est.	2007 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	32	35	35
12.1 Civilian personnel benefits	8	7	9
21.0 Travel and transportation of persons	2	2	2
23.3 Communications, utilities, and miscellaneous charges	5	5	5
25.1 Advisory and assistance services	212	139	160
26.0 Supplies and materials	1	1	1
31.0 Equipment	13	10	10
99.0 Direct obligations	273	199	222
Reimbursable obligations:			
25.1 Advisory and assistance services	71	57	79
99.0 Reimbursable obligations	71	57	79
99.9 Total new obligations	344	256	301

Personnel Summary

Identification code 86-4586-0-4-451	2005 actual	2006 est.	2007 est.
Direct:			
1001 Civilian full-time equivalent employment	344	347	314

ADMINISTRATIVE PROVISIONS

SEC. 301. 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, or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not rescinded 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 or remitted to the Treasury to provide project owners with incentives to refinance their project at a lower interest rate.

SEC. 302. None of the amounts made available under this Act may be used during fiscal year [2006] 2007 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. 303. (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 [2006] 2007 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 [2006] 2007 under such clause (ii) because the areas in the State outside of the metropolitan statistical areas that qualify under clause (i) in fiscal year [2006] 2007 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 metropoli-

tan statistical areas that qualify under clause (i) of such section 854(c)(1)(A) in fiscal year [2006] 2007, 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 [2006] 2007 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 [2006] 2007 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 three year period.

SEC. 304. (a) During fiscal year [2006] 2007, 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. 305. Except as explicitly provided in law, any grant, cooperative agreement or other assistance made pursuant to title III 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.

[SEC. 306. 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. 1811–1831).]

SEC. [307] 306. 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. [308] 307. Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act, as amended, 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 [2006] 2007 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. [309] 308. None of the funds provided in this title for technical assistance, training, or management improvements may be obligated or expended unless HUD 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 [2006] 2007, HUD shall transmit this information to the Committees by March 15, [2006] 2007 for 30 days of review.

SEC. [310] 309. 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. 311. Notwithstanding any other provision of law, in fiscal year 2006, in managing and disposing of any multifamily property that is owned or 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 that are attached to any dwelling units in the property. To the extent the Secretary determines that such a multifamily property owned or held by the Secretary is not feasible for continued rental assistance payments under such section 8, based on consideration of the costs of maintaining such payments for that property or other factors, 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.]

SEC. [312] 310. (a) Notwithstanding any other provision of law, the amount allocated for fiscal year [2006] 2007 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 [2006] 2007 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 [2006] 2007 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. 313. Notwithstanding any other provision of law, for this fiscal year and every fiscal year thereafter, funds appropriated for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act, shall be available for the cost of maintaining and disposing of such properties that are acquired or otherwise become the responsibility of the Department.]

[SEC. 314. The Secretary of Housing and Urban Development shall submit an annual report no later than August 30, 2006 and annually thereafter to the House and Senate Committees on Appropriations regarding the number of Federally assisted units under lease and the per unit cost of these units to the Department of Housing and Urban Development.]

[SEC. 315. The Department of Housing and Urban Development shall submit the Department's fiscal year 2007 congressional budget justifications to the Committees on Appropriations of the House of Representatives and the Senate using the identical structure provided under this Act and only in accordance with the direction specified in the report accompanying this Act.]

SEC. [316] 311. That incremental vouchers previously made available under the heading "Housing Certificate Fund" or renewed under the heading, "Tenant-Based Rental Assistance," for non-elderly disabled families shall, to the extent practicable, continue to be provided to non-elderly disabled families upon turnover.

SEC. [317] 312. A public housing agency or such other entity that administers Federal housing assistance in 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 in the States of Alaska, Iowa and Mississippi shall establish an advisory board of not less than 6 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. 318. (a) Notwithstanding any other provision of law, subject to the conditions listed in subsection (b), for fiscal years 2006 and 2007, the Secretary may authorize the transfer of project-based assistance, debt and statutorily required low-income and very low-income use restrictions, associated with one multifamily housing project to another multifamily housing project.

(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;

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

(3) the receiving project 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 shall not be required to vacate their units in the transferring project 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 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 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;

Intragovernmental funds—Continued

ADMINISTRATIVE PROVISIONS—Continued

(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; and

(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;

(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) 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” means the multifamily housing project to which 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 the project-based assistance, debt and the statutorily required low-income and very low-income use restrictions to the receiving project; and,

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

SEC. 【319】 313. 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. 320. (a) EXTENSION.—The Secretary of Housing and Urban Development shall extend the term of the Moving to Work Demonstration Agreement entered into between a public housing agency and the Secretary under section 204, title V, of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104–134, April 26, 1996) if—

(1) the public housing agency requests such extension in writing;

(2) the public housing agency is not at the time of such request for extension in default under its Moving to Work Demonstration Agreement; and

(3) the Moving to Work Demonstration Agreement to be extended would otherwise expire on or before September 30, 2006.

(b) TERMS.—Unless the Secretary of Housing and Urban Development and the public housing agency otherwise agree, the extension under subsection (a) shall be upon the identical terms and conditions set forth in the extending agency’s existing Moving to Work Demonstration Agreement, except that for each public housing agency that has been or will be granted an extension to its original Moving to Work Agreement, the Secretary shall require that data be collected so that the effect of Moving to Work policy changes on residents can be measured.

(c) EXTENSION PERIOD.—The extension under subsection (a) shall be for such period as is requested by the public housing agency, not to exceed 3 years from the date of expiration of the extending agency’s existing Moving to Work Demonstration Agreement.

(d) BREACH OF AGREEMENT.—Nothing contained in this section shall limit the authority of the Secretary of Housing and Urban Development to terminate any Moving to Work Demonstration Agreement of a public housing agency if the public housing agency is in breach of the provisions of such agreement.】

【SEC. 321. 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. 【322】 314. Incremental vouchers previously made available under the heading, “Housing Certificate Fund” or renewed under the heading, “Tenant-Based Rental Assistance”, for family unification shall, to the extent practicable, continue to be provided for family unification.

【SEC. 323. Section 223(f)(1) of the National Housing Act is amended by inserting “purchase or” immediately before “refinancing of existing debt”.】

【SEC. 324. Section 421 of the Housing and Community Development Act of 1987 (12 U.S.C. § 1715z–4a) is amended—

(1) in subsection (a)(1)(A), by inserting after “is” the following: “or, at the time of the violations, was”; and

(2) in subsection (a)(1)(C), by inserting after “held” the following: “or, at the time of the violations, was insured or held”.】

【SEC. 325. Notwithstanding any other provision of law, for fiscal year 2006 and thereafter, all mortgagees receiving interest reduction payments under section 236 of the National Housing Act (12 U.S.C. 1715z–1) shall submit only electronic invoices to the Department of Housing and Development in order to receive such payments. The mortgagees shall comply with this requirement no later than 90 days from the date of enactment of this provision.】

【SEC. 326. 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–2) after December 26, 2000, in accordance with the unnumbered paragraph at the end of section 202b(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 organization described in section 831 of the American Homeownership and Economic Opportunity Act of 2000.】

SEC. 【327】 315. (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; and

(6) 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.

(c) Not later than 30 days after the date of enactment of this Act, the Secretary of Housing and Urban Development shall issue final regulations to carry out the provisions of this section.

【SEC. 328. The Secretary of Housing and Urban Development shall give priority consideration to applications from the housing authorities of the Counties of San Bernardino and Santa Clara and the City of San Jose, California to participate in the Moving to Work Demonstration Agreement under section 204, title V, of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104–134, April 26, 1996): *Provided*, That upon turnover, existing requirements on the re-issuance of Section 8 vouchers shall be maintained to ensure that not less than 75 percent of all vouchers shall be made available to extremely low-income families.】

GINNIE MAE ADMINISTRATIVE EXPENSES AND FEES

SEC. 316. Section 1 of the National Housing Act (12 U.S.C. 1702) is amended in the fifth sentence by striking “Except with respect to

subchapter III of this chapter” and inserting “Except with respect to the Federal National Mortgage Association”. Section 306(g)(3) of the National Housing Act (12 U.S.C. 1721(g)(3)) is amended by adding the following new subparagraph at the end: “(F)(i) Notwithstanding subparagraphs (A) through (D), the Association shall charge an upfront fee on new guarantees of mortgage-backed securities. (ii) The Association shall set the upfront fee level each year such that estimated collections fully offset the estimated cost of program salaries and administrative expenses published in the Budget of the United States Government for the applicable fiscal year.” (Department of Housing and Urban Development Appropriations Act, 2006.)

【SEC. 901. Notwithstanding provisions of the United States Housing Act of 1937 (Public Law 93–383), in order to assist public housing agencies located within the most heavily impacted areas of Louisiana and Mississippi that are subject to a declaration by the President of a major disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) in connection with Hurricane Katrina or Rita, the Secretary for calendar year 2006 may authorize a public housing agency to combine assistance provided under sections 9(d) and (e) of the United States Housing Act of 1937 and assistance provided under section 8(o) of such Act, for the purpose of facilitating the prompt, flexible and efficient use of funds provided under these sections of the Act to assist families who were receiving housing assistance under the Act immediately prior to Hurricane Katrina or Rita and were displaced from their housing by the hurricanes.】

【SEC. 902. To the extent feasible the Secretary of Housing and Urban Development shall preserve all housing within the area declared a major disaster under the Robert T. Stafford Disaster Relief and Emergency Act (42 U.S.C. 5121 et seq.) resulting from Hurricane Katrina or Rita that received project-based assistance under section 8 or 9 of the United States Housing Act of 1937, section 801 or

811 of the Cranston-Gonzalez National Affordable Housing Act, the AIDS Housing Opportunity Act, or the Stewart B. McKinney Homeless Assistance Act: *Provided*, That the Secretary shall report to the Committees on Appropriations on the status of all such housing, including costs associated with any repair or rehabilitation, within 120 days of enactment of this Act.】 (Emergency Supplemental Appropriations Act to Address Hurricanes in the Gulf of Mexico and Pandemic Influenza, 2006.)

GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

	2005 actual	2006 est.	2007 est.
Offsetting receipts from the public:			
86–271910 FHA-general and special risk, Negative subsidies	266	300	438
Legislative proposal, not subject to PAYGO			– 223
86–271930 FHA-general and special risk, Downward reestimates of subsidies	208	297	
86–274330 Indian housing loan guarantees, Downward reestimates of subsidies	4	1	
86–276230 Title VI indian loan guarantee downward reestimate		2	
86–277330 Community development loan guarantees, Downward reestimates	15	6	
86–277810 Mutual mortgage insurance program, negative subsidies: Legislative proposal, not subject to PAYGO			845
General Fund Offsetting receipts from the public	493	606	1,060