

## 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 2009 Budget for HUD assumes major reform proposals for the Federal Housing Administration (FHA), the Housing Choice Voucher (HCV) program, and the Community Development Block Grant (CDBG) program. These reforms will enhance the effectiveness of HUD's programs.

The Department continues to emphasize expanding homeownership opportunities for all. Toward that goal, in 2009 FHA continues to propose financing options for families who have good credit histories but lack the savings needed for the downpayment on a home, and for families who have impaired credit histories and who would normally be served only by the sub-prime market. Also, the Budget provides nearly \$2 billion for the HOME Investment Partnerships Program, including \$50 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.

While maintaining a budget-based approach, the 2009 Budget proposes changes to the Housing Choice Voucher Program to give State and local housing authorities more decision-making authority to better address the unique needs of their communities, such as the flexibility to serve more households.

The Budget includes a substantial increase for Project-Based Housing, providing \$7 billion to renew all project-based rental contracts, and a \$400 million advance appropriation to bridge renewal funding into 2010. The 2009 request is over \$1 billion above 2008 and is the largest renewal funding provided in the history of the program.

HUD continues to support and improve Public Housing and has initiated the effort to adopt asset-based project management to allow significant improvements and efficiencies. The Budget provides \$4.3 billion for Public Housing Operating subsidies and \$2 billion for the Public Housing Capital Fund.

HUD continues to focus on combating homelessness and eliminating chronic homelessness with a record \$1.636 billion for Homeless Assistance, including up to \$50 million for a Samaritan initiative to provide supportive housing linked to services for chronically homeless persons.

Funding in the 2009 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 Housing Discrimination Study, HUD now has the information necessary to improve enforcement, reduce discrimination, and address accessibility issues. The 2009 FHIP budget includes funding for an update of the 2000 National Housing Discrimination Study.

The Community Development Block Grant (CDBG) program, along with other Federal programs for community and economic development, will be targeted in 2009 to increase the focus and effectiveness of Federal efforts to provide adequate economic opportunity in low-income communities. HUD has proposed legislation to revise the CDBG allocation formulas to better target needy communities, to provide bonus funds tied to performance, and to make further reforms to increase CDBG's effectiveness.

HUD continues to support the reduction of housing overcrowding in Indian country with \$627 million in housing grants. The Budget also continues to support Indian community and economic development.

The 2009 Budget includes \$116 million in lead hazard reduction grants to continue the 10-year program to eradicate lead hazards in housing. The elimination of lead hazards for children is on track and the number of children with elevated blood lead levels has been reduced from 890,000 between 1991 and 1994 to 235,000 in 2007.

To ensure the effective implementation of its programs, the Budget provides the Department's Office of Policy Development and Research (PD&R) 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.

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 Department will continue the management reform effort initiated in 2001 and undertake further efforts in 2008 and 2009 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 PROGRAMS

#### *Federal Funds*

#### PREVENTION OF RESIDENT DISPLACEMENT

Program and Financing (in millions of dollars)			
Identification code 86-0311-0-1-604	2007 actual	2008 est.	2009 est.
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	7	3	3
22.00 New budget authority (gross) .....	- 10		
22.10 Resources available from recoveries of prior year obligations .....	6		
23.90 Total budgetary resources available for obligation	3	3	3
24.40 Unobligated balance carried forward, end of year	3	3	3
<b>New budget authority (gross), detail:</b>			
Discretionary:			
58.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	- 10		
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	1	2	2
73.20 Total outlays (gross) .....	7		
73.45 Recoveries of prior year obligations .....	- 6		
74.40 Obligated balance, end of year .....	2	2	2
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	- 7		
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	10		
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			
90.00 Outlays .....	3		

## PREVENTION OF RESIDENT DISPLACEMENT—Continued

HUD received \$79 million in 2005 via a FEMA mission assignment to provide housing assistance to families that were displaced by Hurricane Katrina. Eligible recipients included families that had been receiving HUD assistance, and those who were homeless prior to Hurricane Katrina. Through a \$390 million supplemental appropriation pursuant to P.L. 109-148, the Robert T. Stafford Disaster Relief and Emergency Act (42 U.S.C. 5121 et seq.), HUD continued to support similar activities. It is expected that there will soon be no more transactions within this account because this mission assignment is complete. Eligible families will continue to receive assistance through their current localities of residence.

TENANT-BASED RENTAL ASSISTANCE  
(INCLUDING TRANSFER OF FUNDS)

For activities and assistance for the provision of tenant-based rental assistance authorized under the United States Housing Act of 1937, as amended (42 U.S.C. 1437 et seq.) (“the Act” herein), [not otherwise provided for, \$16,391,000,000] \$11,881,000,000, to remain available until expended[, of which \$12,233,000,000] shall be available on October 1, [2007] 2008 (in addition to the \$4,158,000,000 previously appropriated under this heading that will become available on October 1, 2008), and [\$4,158,000,000] \$4,000,000,000, to remain available until expended, shall be available on October 1, [2008] 2009: *Provided*, That the amounts made available under this heading [are provided as follows:]

[(1)] [\$14,694,506,000] shall be available for renewals of expiring section 8 tenant-based annual contributions contracts (including renewals of enhanced vouchers under any provision of law authorizing such assistance under section 8(t) of the Act), and including renewal of other designated housing vouchers initially funded in fiscal year 2008 (such as Family Unification and Veterans Affairs Supportive Housing vouchers): *Provided further*, That notwithstanding any other provision of law, from amounts provided under this paragraph and any carryover, the Secretary for the calendar year [2008] 2009 funding cycle shall provide renewal funding for each public housing agency based on [voucher management system (VMS) leasing and cost data for the most recent Federal fiscal year] the amount public housing agencies were eligible to receive in calendar year 2008 and by applying the [2008] 2009 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 notwithstanding the first proviso, except for applying the 2008 Annual Adjustment Factor and making any other specified adjustments, public housing agencies specified in category 1 below shall receive funding for calendar year 2008 based on the higher of the amounts the agencies would receive under the first proviso or the amounts the agencies received in calendar year 2007, and public housing agencies specified in categories 2 and 3 below shall receive funding for calendar year 2008 equal to the amounts the agencies received in calendar year 2007, except that public housing agencies specified in categories 1 and 2 below shall receive funding under this proviso only if, and to the extent that, any such public housing agency submits a plan, approved by the Secretary, that demonstrates that the agency can effectively use within 12 months the funding that the agency would receive under this proviso that is in addition to the funding that the agency would receive under the first proviso: (1) public housing agencies that are eligible for assistance under section 901 in Public Law 109-148 (119 Stat. 2781) or are located in the same counties as those eligible under section 901 and operate voucher programs under section 8(o) of the United States Housing Act of 1937 but do not operate public housing under section 9 of such Act, and any public housing agency that otherwise qualifies under this category must demonstrate that they have experienced a loss of rental housing stock as a result of the 2005 hurricanes; (2) public housing agencies that would receive less funding under the first proviso than they would receive under this proviso and that have been

placed in receivership within the 24 months preceding the date of enactment of this Act; and (3) public housing agencies that spent more in calendar year 2007 than the total of the amounts of any such public housing agency's allocation amount for calendar year 2007 and the amount of any such public housing agency's available housing assistance payments undesignated funds balance from calendar year 2006 and the amount of any such public housing agency's available administrative fees undesignated funds balance through calendar year 2007: *Provided further*, That notwithstanding the first two provisos under this paragraph, the amount of calendar year 2008 renewal funding for any agency otherwise authorized under such provisos shall be reduced by the amount of any unusable amount (as determined by the Secretary, due to limits in this paragraph with respect to an agency's authorized level of units under contract) in such agency's net restricted assets account, in accordance with the most recent VMS data in calendar year 2007 that is verifiable and complete, which exceeds 7 percent of the amount of renewal funding allocated to the agency for the calendar year 2007 funding cycle pursuant to section 21033 of Public Law 110-5, as amended by section 4802 of Public Law 110-28: *Provided further*, That the amount of calendar year 2009 renewal funding for any agency otherwise authorized shall be reduced by any amount in such agency's unusable net restricted assets account (as determined by the Secretary) in accordance with the most recent VMS data for federal fiscal year 2008 that is verifiable and complete: *Provided further*, That up to \$50,000,000 shall be available only: (1) to adjust the allocations for public housing agencies, after application for an adjustment by a public housing agency that experienced a significant increase, as determined by the Secretary, in renewal costs from portability under section 8(r) of the Act of tenant-based rental assistance; and (2) for adjustments for public housing agencies with voucher leasing rates at the end of the calendar year that exceed the average leasing for the 12-month period used to establish the allocation: *For additional rental subsidy due to unforeseen circumstances as determined by the Secretary and for both the one-time funding and increased costs of housing assistance payments resulting from the portability provisions of the housing choice voucher program* *Provided further*, That none of the funds provided under 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: *Provided further*, That the Secretary shall, to the extent necessary to stay within the amount specified under this paragraph, [after subtracting \$723,257,000 from such amount,] pro rate each public housing agency's allocation otherwise established pursuant to this paragraph: *Provided further*, That except as provided in the last proviso, the entire amount specified under this paragraph[, except for \$723,257,000] shall be obligated to the public housing agencies based on the allocation and pro rata method described above and the Secretary shall notify public housing agencies of their annual budget not later than 60 days after enactment of this Act: *Provided further*, That the Secretary may extend the 60 day notification period with the prior written [approval] notice of the House and Senate Committees on Appropriations: *Provided further*, That public housing agencies participating in the Moving to Work demonstration shall be funded pursuant to their Moving to Work agreements and shall be subject to the same pro rata adjustments under the previous proviso[.]: *Provided further*, that of the amounts made available under this heading for fiscal year 2009,

[(2)] [\$200,000,000] \$150,000,000 is for section 8 rental assistance for relocation and replacement of housing units that are demolished or disposed of pursuant to the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104-134), conversion of section 23 projects to assistance under section 8, the family unification program under section 8(x) of the Act, relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency, enhanced vouchers under any provision of law authorizing such assistance under section 8(t) of the Act, HOPE VI vouchers, mandatory and voluntary conversions, and tenant protection assistance including replacement and relocation assistance: *Provided further*, That [the Secretary shall provide replacement vouchers for all units that were occupied within the previous 24 months that cease to be available as assisted housing due to demolition, disposition, or conversion, subject only to the availability of funds.] additional section 8 tenant protection rental assistance costs may be funded in 2009 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", and the heading "Housing Certificate Fund", for fiscal year 2008 and prior years notwithstanding the purpose for which they were originally appropriated;

[(3)] [\$49,000,000] \$48,000,000 is for family self-sufficiency coordinators under section 23 of the Act[.];

[(4)] at least \$7,929,000 shall, and up to [\$6,494,000] \$9,911,250 may, be transferred to the Working Capital Fund[.];

[(5)] [\$1,351,000,000] \$1,400,000,000 for administrative and other expenses of public housing agencies in administering the section 8 tenant-based rental assistance program and which up to [\$35,000,000] \$40,000,000 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 \$30,000,000 to be for] including fees associated with section 8 tenant protection rental assistance, the administration of disaster related vouchers, Veterans Affairs Supportive Housing vouchers, and other incremental vouchers: Provided further, That no less than [\$1,316,000,000] \$1,360,000,000 of the amount provided in this paragraph shall be allocated for the calendar year [2008] 2009 funding cycle on a basis to public housing agencies as provided in section 8(q) of the Act as in effect immediately before the enactment of the Quality Housing and Work Responsibility Act of 1998 (Public Law 105-276) : 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 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[.];

[(6)] \$20,000,000 for incremental voucher assistance through the Family Unification Program] \$39,000,000 is for Housing Assistance Payments to prevent the involuntary displacement of low-income elderly and disabled families displaced by Hurricanes Katrina and Rita after the Disaster Housing Assistance Program (DHAP) ends[.]; and

[(7)] \$75,000,000 is for incremental rental voucher assistance for use through a supported housing program administered in conjunction with the Department of Veterans Affairs as authorized under section 8(o)(19) of the United States Housing Act of 1937: Provided further, That the Secretary of Housing and Urban Development shall make such funding available, notwithstanding section 204 (competition provision) of this title, to public housing agencies that partner with eligible VA Medical Centers or other entities as designated by the Secretary of the Department of Veterans Affairs, based on geographical need for such assistance as identified by the Secretary of the Department of Veterans Affairs, public housing agency administrative performance, and other factors as specified by the Secretary of Housing and Urban Development in consultation with the Secretary of the Department of Veterans Affairs: Provided further, That the Secretary of Housing and Urban Development may waive, or specify alternative requirements for (in consultation with the Secretary of the Department of Veterans Affairs), any provision of any statute or regulation that the Secretary of Housing and Urban Development administers in connection with the use of funds made available under this paragraph (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a finding by the Secretary that any such waivers or alternative requirements are necessary for the effective delivery and administration of such voucher assistance: Provided further, That assistance made available under this paragraph shall continue to remain available for homeless veterans upon turn-over.

[(8)] \$30,000,000 for incremental vouchers under section 8 of the Act for nonelderly disabled families affected by the designation of a public housing development under section 7 of the Act, the establishment of preferences in accordance with section 651 of the Housing and Community Development Act of 1992 (42 U.S.C. 13611), or the restriction of occupancy to elderly families in accordance with section 658 of such Act (42 U.S.C. 13618), and to the extent the Secretary determines that such amount is not needed to fund applications for such affected families, for other nonelderly disabled families. (Department of Housing and Urban Development Appropriations Act, 2008.)

Program and Financing (in millions of dollars)				
Identification code 86-0302-0-1-604	2007 actual	2008 est.	2009 est.	
<b>Obligations by program activity:</b>				
00.01	Tenant Protection .....	135	290	150
00.02	Administrative Fees .....	1,247	1,384	1,400
00.03	Family Self Sufficiency Coordinators .....	97	97	48
00.06	Contract Renewals .....	14,663	14,150	14,319
00.07	Disaster Assistance .....	258		
00.08	Veterans Affairs Supportive Housing Vouchers .....		75	75
00.09	Family Unification Program Vouchers .....		20	
00.10	Nonelderly Disabled Vouchers .....		30	
00.11	Disaster Displacement Assistance .....			39
10.00	Total new obligations (object class 41.0) .....	16,303	16,046	16,031
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year .....	724	351	2
22.00	New budget authority (gross) .....	15,881	15,697	16,031
22.10	Resources available from recoveries of prior year obligations .....	49		
23.90	Total budgetary resources available for obligation .....	16,654	16,048	16,033
23.95	Total new obligations .....	-16,303	-16,046	-16,031
24.40	Unobligated balance carried forward, end of year .....	351	2	2
<b>New budget authority (gross), detail:</b>				
Discretionary:				
40.00	Appropriation .....	11,727	12,233	11,881
40.36	Unobligated balance permanently reduced .....	-40		
41.00	Transferred to other accounts .....	-6	-6	-8
43.00	Appropriation (total discretionary) .....	11,681	12,227	11,873
55.00	Advance appropriation .....	4,200	4,193	4,158
55.35	Advance appropriation permanently reduced .....		-723	
55.90	Advance appropriation (total discretionary) .....	4,200	3,470	4,158
70.00	Total new budget authority (gross) .....	15,881	15,697	16,031
<b>Change in obligated balances:</b>				
72.40	Obligated balance, start of year .....	1,280	1,563	1,558
73.10	Total new obligations .....	16,303	16,046	16,031
73.20	Total outlays (gross) .....	-15,971	-16,051	-16,253
73.45	Recoveries of prior year obligations .....	-49		
74.40	Obligated balance, end of year .....	1,563	1,558	1,336
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....	14,653	14,963	15,319
86.93	Outlays from discretionary balances .....	1,318	1,088	934
87.00	Total outlays (gross) .....	15,971	16,051	16,253
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	15,881	15,697	16,031
90.00	Outlays .....	15,971	16,051	16,253

**Housing Choice Voucher—Summary of Program Level**

(in millions)			
	2007	2008	2009 est
New Budget Authority .....	11,727	12,233	11,881
Advance Appropriation .....	4,200	4,193	4,158
Estimated Balances for Offset .....	0	0	600
Rescission .....	0	-723	0
	15,927	15,703	16,639

The Tenant-Based Rental Assistance Program (also known as the Housing Choice Voucher Program) provides housing assistance to approximately 2 million extremely low- to low-income families. This is the Federal government's largest program for assisting low-income families to rent decent, safe and sanitary housing in the private market. The program includes set-asides for homeless veterans and tenant-protection vouchers, which are provided to families who must relocate due to public housing demolitions or when landlords opt out of project-based contracts. About 2,400 state and local Public Housing Authorities (PHAs) administer the Voucher program.

TENANT-BASED RENTAL ASSISTANCE—Continued  
(INCLUDING TRANSFER OF FUNDS)—Continued

The Administration reaffirms its commitment to reforming the Voucher program by amending the appropriations language and re-submitting legislative reform proposals similar to the Voucher and Rent Simplification Act of 2007. The policy objectives are to allow PHAs to serve more families, simplify program administration, and promote local flexibility for more efficient service delivery. More specifically, the Administration proposes to: (1) remove the cap on the authorized number of units PHAs can serve. This would enable PHAs to utilize funds they are currently unable to spend beyond their authorized number of units; (2) provide a stable, predictable, budget-based renewal funding formula. This budget-based allocation method is transparent, appropriately compensates and rewards PHA performance, and results in predictable future year funding allocations for PHAs; (3) reform the administratively burdensome rent determination formulas so that the changes provide PHAs with the necessary flexibility over tenant rents to address the needs and priorities of their communities, gain administrative cost-savings, increase the incentives for able adults to work, and help eliminate improper payments; and (4) identify and adjust for unspent prior year balances from PHAs to determine FY09 funding levels and to promote the PHA's accountability in managing Voucher budgets.

Legislation to implement the Administration's reform proposal will be submitted to the Congress early in 2008.

HOUSING CERTIFICATE FUND  
([RESCISSION] CANCELLATION)

[Of the unobligated] *Unobligated* balances, including recaptures and carryover, remaining from funds appropriated to the Department of Housing and Urban Development under this heading [ ], and the heading "Annual Contributions for Assisted Housing" [ ], the heading "Tenant-Based Rental Assistance", and the heading "Project-Based Rental Assistance" [ ] for fiscal year [2007] 2009 and prior years [ ], \$1,250,000,000 are rescinded, to be effected by the Secretary of Housing and Urban Development no later than September 30, 2008: *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 [ ] *may be used for renewal of or amendments to section 8 project-based contracts and for performance-based contract administrators, notwithstanding the purposes for which such funds were appropriated: Provided [further]*, That any obligated balances of contract authority from fiscal year 1974 and prior that have been terminated shall be *permanently cancelled*. (*Department of Housing and Urban Development Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 86-0319-0-1-604	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Contract renewals .....	970		
00.05 Section 8 Amendments .....	282	400	400
10.00 Total new obligations (object class 41.0) .....	1,252	400	400
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	1,329	466	
22.00 New budget authority (gross) .....	-1,256	-1,250	
22.10 Resources available from recoveries of prior year obligations .....	1,814	1,184	400
22.75 Balance of contract authority withdrawn .....	-169		
23.90 Total budgetary resources available for obligation .....	1,718	400	400
23.95 Total new obligations .....	-1,252	-400	-400

24.40	Unobligated balance carried forward, end of year	466		
<b>New budget authority (gross), detail:</b>				
Discretionary:				
40.36	Unobligated balance permanently reduced .....	-616	-1,250	
Mandatory:				
60.00	Appropriation .....		3,000	3,000
60.49	Portion applied to liquidate contract authority .....		-3,000	-3,000
62.50	Appropriation (total mandatory) .....			
66.36	Unobligated balance permanently reduced .....	-640		
70.00	Total new budget authority (gross) .....	-1,256	-1,250	
<b>Change in obligated balances:</b>				
72.40	Obligated balance, start of year .....	13,086	9,809	6,802
73.10	Total new obligations .....	1,252	400	400
73.20	Total outlays (gross) .....	-2,715	-2,223	-2,047
73.45	Recoveries of prior year obligations .....	-1,814	-1,184	-400
74.40	Obligated balance, end of year .....	9,809	6,802	4,755
<b>Outlays (gross), detail:</b>				
86.93	Outlays from discretionary balances .....	2,715	2,223	2,047
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	-1,256	-1,250	
90.00	Outlays .....	2,715	2,223	2,047
<b>Memorandum (non-add) entries:</b>				
93.01	Unobligated balance, start of year: Contract authority .....		123	
93.02	Unobligated balance, end of year: Contract authority .....	123		
93.03	Obligated balance, start of year: Contract authority .....	10,740	9,809	6,802
93.04	Obligated balance, end of year: Contract authority .....	9,809	6,802	4,755

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. The Housing Certificate Fund retains and recovers balances from previous years' appropriations.

PROJECT-BASED RENTAL ASSISTANCE  
(INCLUDING TRANSFER OF FUNDS)

For activities and assistance for the provision of project-based subsidy contracts under the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) ("the Act"), not otherwise provided for, [\$6,381,810,000] \$7,000,000,000, to remain available until expended, shall be available on October 1, 2008, and \$400,000,000, to remain available until expended, shall be available on October 1, 2009: *Provided*, That the amounts made available under this heading [are provided as follows:]

[(1) Up to \$6,139,122,000] shall be available for expiring or terminating section 8 project-based subsidy contracts (including section 8 moderate rehabilitation contracts), for amendments to section 8 project-based subsidy contracts (including section 8 moderate rehabilitation contracts), for contracts entered into pursuant to section 441 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11401), for renewal of section 8 contracts for units in projects that are subject to approved plans of action under the Emergency Low Income Housing Preservation Act of 1987 or the Low-Income Housing Preservation and Resident Homeownership Act of 1990, and for administrative and other expenses associated with project-based activities and assistance funded under this paragraph [.]

[(2) Not less than \$238,728,000 but not to exceed \$286,230,000]: *Provided further*, That of the amount available under this heading for FY 2009, up to \$232,000,000 shall be available for performance-based contract administrators for section 8 project-based assistance: *Provided further*, That the Secretary of Housing and Urban Development may also use such amounts for performance-based contract administrators for the administration of: interest reduction payments pursuant to section 236(a) of the National Housing Act (12 U.S.C. 1715z-1(a)); rent supplement payments pursuant to section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s); section 236(f)(2) rental assistance payments (12 U.S.C. 1715z-1(f)(2)); project rental assistance contracts for the elderly under section 202(c)(2) of the Housing Act of 1959 (12 U.S.C.

1701q); project rental assistance contracts for supportive housing for persons with disabilities under section 811(d)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(d)(2)); project assistance contracts pursuant to section 202(h) of the Housing Act of 1959 (Public Law 86-372; 73 Stat. 667); and loans under section 202 of the Housing Act of 1959 (Public Law 86-372; 73 Stat. 667).]

[(3) Not to exceed \$3,960,000 may]: *Provided further, That of the amounts made available under this heading, at least \$5,000,000 shall, and up to \$6,250,000 may, be transferred to the Working Capital Fund.*]

[(4) Amounts]: *Provided further, That 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, 2008.)*

**Program and Financing** (in millions of dollars)

Identification code 86-0303-0-1-604	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Contract Renewals .....	5,834	6,522	6,763
00.02 Contract Administrators .....	149	239	232
10.00 Total new obligations (object class 41.0) .....	5,983	6,761	6,995
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	189	383	.....
22.00 New budget authority (gross) .....	5,975	6,378	6,995
22.10 Resources available from recoveries of prior year obligations .....	202	.....	.....
23.90 Total budgetary resources available for obligation .....	6,366	6,761	6,995
23.95 Total new obligations .....	-5,983	-6,761	-6,995
24.40 Unobligated balance carried forward, end of year .....	383	.....	.....
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	5,976	6,382	7,000
41.00 Transferred to other accounts .....	-1	-4	-5
43.00 Appropriation (total discretionary) .....	5,975	6,378	6,995
55.00 Advance appropriation .....	.....	.....	.....
70.00 Total new budget authority (gross) .....	5,975	6,378	6,995
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	2,620	2,695	3,130
73.10 Total new obligations .....	5,983	6,761	6,995
73.20 Total outlays (gross) .....	-5,706	-6,326	-6,481
73.45 Recoveries of prior year obligations .....	-202	.....	.....
74.40 Obligated balance, end of year .....	2,695	3,130	3,644
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	3,367	4,146	4,197
86.93 Outlays from discretionary balances .....	2,339	2,180	2,284
87.00 Total outlays (gross) .....	5,706	6,326	6,481
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	5,975	6,378	6,995
90.00 Outlays .....	5,706	6,326	6,481

The Budget requests \$7 billion for project-based rental assistance in 2009 and a \$400 million advance appropriation to become available in 2010. These funds are sufficient to renew all contracts through fiscal year 2009 and into the first part of fiscal year 2010

**Project-based Rental Assistance.**—This program assists approximately 1.3 million low- and very low-income households in obtaining decent, safe, and sanitary housing in private accommodations. Project-based Rental Assistance serves families, elderly households, disabled households, and provides transitional housing for the homeless. Through this funding, HUD supports approximately 18,000 contracts with owners of multifamily rental housing to provide housing for low- and

very low income families. This funding pays the difference between what a household can afford, generally 30 percent of eligible income, and the approved market-base rent for a housing unit. Program activity includes the following:

**Contract Renewals.**—The contract renewals set-aside provides funding for HUD to renew expiring lease contracts. Currently, around 80 percent of the contracts are renewed annually; the other 20 percent are funded from previously appropriated long-term contracts. These funds go directly to the housing costs of low- and very low income families in the program.

**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 obligated for the project. These additional costs are proposed to be entirely funded in 2009 by utilizing recoveries of excess balances remaining on expired Section 8 contracts that utilized less than anticipated resources in completing the contract. No new funds are requested in 2009 for Section 8 Amendment activity.

**Contract Administrators.**—The Contract Administrators set-aside is necessary to fund the local level administration of this program. Through this set-aside, HUD funds contracts with performance-based contract administrators. These entities, which are typically public housing authorities or state housing finance agencies, are responsible for conducting on-site management reviews of assisted properties; adjusting contract rents; reviewing, processing, and paying monthly vouchers submitted by owners; renewing contracts with property owners; and responding to health and safety issues at properties. For 2009, up to \$232 million is requested for this set-aside.

**Working Capital Fund Transfer.**—At least \$5 million or up to \$6.25 million is requested in 2009 to fund development of and modifications to technology systems that support these activities.

**PUBLIC HOUSING CAPITAL FUND**

(INCLUDING TRANSFER OF FUNDS)

For the Public Housing Capital Fund Program to carry out capital and management activities for public housing agencies, as authorized under section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g) (the "Act") [\$2,438,964,000] \$2,024,000,000, to remain available until September 30, [2011] 2012: *Provided, That notwithstanding any other provision of law or regulation, during fiscal year [2008] 2009 the Secretary of Housing and Urban Development may not delegate to any Department official other than the Deputy Secretary and the Assistant Secretary for Public and Indian Housing any authority under paragraph (2) of section 9(j) regarding the extension of the time periods under such section: Provided further, That for purposes of such section 9(j), the term "obligate" means, with respect to amounts, that the amounts are subject to a binding agreement that will result in outlays, immediately or in the future: Provided further, That of the total amount provided under this heading, up to [\$12,000,000] \$7,420,000 shall be for carrying out activities under section 9(h) of such Act; [not to exceed \$16,847,000 may] at least \$14,577,000 shall, and up to \$18,221,250 may, be transferred to the Working Capital Fund; and up to \$15,345,000 shall be to support the ongoing Public Housing Financial and Physical Assessment activities of the Real Estate Assessment Center (REAC): Provided further, That no funds may be used under this heading for the purposes specified in section 9(k) of the Act: [Provided further, That of the total amount provided under this heading, not to exceed \$18,500,000 shall be available for the Secretary to make grants, notwithstanding section 204 of this Act, to public housing agencies for emergency capital needs resulting from unforeseen or unpreventable emergencies and natural disasters occurring in fiscal year 2008:] Provided further, That of the total amount provided under this heading, [\$40,000,000] \$37,620,000 shall be for supportive services, service coordinators and congregate services as authorized by section 34 of the Act (42 U.S.C. 1437z-6) and the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et*

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

seq.): *Provided further*, That of the total amount provided under this heading up to **[\$8,820,000] \$10,000,000** is to support the costs of administrative and judicial receiverships: *Provided further*, That from the funds made available under this heading, the Secretary shall provide bonus awards in fiscal year **[2008] 2009** to public housing agencies that are designated high performers. (*Department of Housing and Urban Development Appropriations Act, 2008.*)

## Program and Financing (in millions of dollars)

Identification code 86-0304-0-1-604	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Capital Grants .....	2,494	2,327	1,939
00.02 Modernization Technical Assistance .....	34	12	7
00.03 Emergency/Disaster Reserve .....	3	19	.....
00.04 Neighborhood Networks .....	14	.....	.....
00.05 Neighborhood Networks Technical Assistance .....	1	.....	.....
00.06 Resident Opportunities and Supportive Services .....	50	40	38
00.07 Administrative Receivership .....	9	9	10
00.08 Financial and Physical Assessment Support .....	.....	15	15
00.09 Working Capital Fund .....	.....	17	15
10.00 Total new obligations (object class 41.0) .....	2,605	2,439	2,024
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	335	160	144
22.00 New budget authority (gross) .....	2,420	2,422	2,009
22.10 Resources available from recoveries of prior year obligations .....	16	1	.....
22.75 Balance of contract authority withdrawn .....	-5	.....	.....
23.90 Total budgetary resources available for obligation	2,766	2,583	2,153
23.95 Total new obligations .....	-2,605	-2,439	-2,024
23.98 Unobligated balance expiring or withdrawn .....	-1	.....	.....
24.40 Unobligated balance carried forward, end of year	160	144	129
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	2,439	2,439	2,024
40.36 Unobligated balance permanently reduced .....	-8	.....	.....
41.00 Transferred to other accounts .....	-11	-17	-15
43.00 Appropriation (total discretionary) .....	2,420	2,422	2,009
Mandatory:			
60.00 Appropriation .....	.....	500	500
60.49 Portion applied to liquidate contract authority .....	.....	-500	-500
62.50 Appropriation (total mandatory) .....	.....	.....	.....
70.00 Total new budget authority (gross) .....	2,420	2,422	2,009
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	8,373	7,888	7,304
73.10 Total new obligations .....	2,605	2,439	2,024
73.20 Total outlays (gross) .....	-3,071	-3,022	-2,959
73.40 Adjustments in expired accounts (net) .....	-3	.....	.....
73.45 Recoveries of prior year obligations .....	-16	-1	.....
74.40 Obligated balance, end of year .....	7,888	7,304	6,369
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	10	69	59
86.93 Outlays from discretionary balances .....	3,061	2,953	2,900
87.00 Total outlays (gross) .....	3,071	3,022	2,959
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	2,420	2,422	2,009
90.00 Outlays .....	3,071	3,022	2,959
<b>Memorandum (non-add) entries:</b>			
93.03 Obligated balance, start of year: Contract authority	1,582	1,576	1,076
93.04 Obligated balance, end of year: Contract authority	1,576	1,076	576

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 \$2.02 billion requested for the Public Housing Capital Fund, approximately \$1.94 billion is provided to cover

annual accrual needs. Other uses include up to \$7 million for technical assistance, up to \$15 million for public housing financial and physical assessment support, \$37.6 million for support services, and up to \$10 million for administrative and judicial receiverships. In addition, at least \$14.6 million shall be transferred to the Working Capital Fund to fund development of and modifications of systems that support public housing. Funds for disaster relief are not requested. FEMA disaster assistance is available for any needs that are not covered by the required property insurance.

The Public Housing Capital Fund protects and enhances a valuable affordable housing resource, which serves approximately 1.2 million families with limited income. Of those families, 32 percent are elderly and 20 percent are disabled.

The 2009 Budget provides resources to support the estimated \$2 billion annual capital accrual needs of the public housing inventory. Over the next year, the Department will conduct a new capital needs study of public housing. Since the last capital needs study in 1998, the backlog of capital needs for public housing is estimated to have been reduced through demolitions of more than 157,000 of the most distressed public housing stock as well as modernization and redevelopment of several hundred thousand units. A mandatory conversion rule has been implemented that will greatly accelerate the demolition of units beyond repair. In fiscal year 2007, 85.7 percent of housing units meet HUD's physical standards, compared to 82 percent in 2001.

## PUBLIC HOUSING OPERATING FUND

For **[2008] 2009** payments to public housing agencies for the operation and management of public housing, as authorized by section 9(e) of the United States Housing Act of 1937 (42 U.S.C. 1437g(e)), **[\$4,200,000,000] \$4,300,000,000**; of which \$5,940,000 shall be for competitive grants and contracts to third parties for the provision of technical assistance to public housing agencies related to the transition and implementation of asset-based management in public housing: *Provided*, That, in fiscal year **[2008] 2009** and all fiscal years hereafter, no amounts under this heading in any appropriations Act may be used for payments to public housing agencies for the costs of operation and management of public housing for any year prior to the current year of such Act: *Provided further*, That no funds may be used under this heading for the purposes specified in section 9(k) of the United States Housing Act of 1937. (*Department of Housing and Urban Development Appropriations Act, 2008.*)

## Program and Financing (in millions of dollars)

Identification code 86-0163-0-1-604	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Operating Subsidy .....	3,865	4,194	4,294
00.02 Transition to asset management .....	.....	6	6
10.00 Total new obligations (object class 41.0) .....	3,865	4,200	4,300
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	1	.....	.....
22.00 New budget authority (gross) .....	3,864	4,200	4,300
23.90 Total budgetary resources available for obligation	3,865	4,200	4,300
23.95 Total new obligations .....	-3,865	-4,200	-4,300
24.40 Unobligated balance carried forward, end of year	.....	.....	.....
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	3,864	4,200	4,300
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	940	1,096	1,018
73.10 Total new obligations .....	3,865	4,200	4,300
73.20 Total outlays (gross) .....	-3,708	-4,278	-4,286
73.40 Adjustments in expired accounts (net) .....	-1	.....	.....
74.40 Obligated balance, end of year .....	1,096	1,018	1,032

<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....	2,773	3,192	3,268
86.93	Outlays from discretionary balances .....	935	1,086	1,018
87.00	Total outlays (gross) .....	3,708	4,278	4,286
<b>Offsets:</b>				
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		
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	3,864	4,200	4,300
90.00	Outlays .....	3,706	4,278	4,286

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 2009 request of \$4.3 billion is a 2.4 percent increase in operating subsidies, reflecting higher costs for day-to-day expenses.

The following tables display the sources of PHAs' expected revenue and expenditures by category in 2009. The distribution is based on historical data reported by PHAs to HUD.

**Sources of PHAs' Operating Revenue**

Category (in millions of dollars)	Annual income	Percent of total
Operating Subsidies .....	\$4,294	60%
Dwelling Rental .....	2,568	36%
Investment .....	124	1%
Other Income .....	204	3%
Total, Operating Revenue .....	7,190	100%

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

**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.

**PHAs' Operating Expenditures**

Category (in millions of dollars)	Annual expenditures	Percent of total
Utilities .....	\$1,730	24%
Administration .....	2,076	29%
General Operating Expenses .....	595	8%
Maintenance .....	2,391	33%
Tenant Services .....	206	3%
Protective Services .....	192	3%
Total, Operating Expenses/*/ .....	7190	100%

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

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

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

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

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

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

**Asset-Based Management Technical Assistance.**—Provides \$5.9 million in competitive grants to support PHAs 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	2007 actual	2008 est.	2009 est.
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....		1	1
22.10 Resources available from recoveries of prior year obligations .....	1		
23.90 Total budgetary resources available for obligation .....	1	1	1
24.40 Unobligated balance carried forward, end of year .....	1	1	1
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	3	1	
73.20 Total outlays (gross) .....	-1	-1	
73.45 Recoveries of prior year obligations .....	-1		
74.40 Obligated balance, end of year .....	1		
<b>Outlays (gross), detail:</b>			
86.93 Outlays from discretionary balances .....	1	1	
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			
90.00 Outlays .....	1	1	

The Public Housing Drug Elimination Grants program was terminated in the 2002 Budget—no new appropriations have been provided since fiscal year 2001. 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. 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 (42 U.S.C. 1437v), \$100,000,000, to remain available until September 30, 2008, of which the Secretary of Housing and Urban Development shall use \$2,400,000 for technical assistance and contract expertise, to be provided directly or indirectly by grants, contracts or cooperative agreements, including training and cost of necessary travel for participants in such training, by or to officials and employees of the department and of public housing agencies and to residents: *Provided*, That none of such funds shall be used directly or indirectly by granting competitive advantage in awards to settle litigation or pay judgments, unless expressly permitted herein.】 (Department of Housing and Urban Development Appropriations Act, 2008.)



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

Program and Financing (in millions of dollars)

Identification code 86-0218-0-1-604	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Direct program activity .....	60	198	
10.00 Total new obligations (object class 41.0) .....	60	198	
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	60	98	
22.00 New budget authority (gross) .....	96	100	
22.10 Resources available from recoveries of prior year obligations .....	2		
23.90 Total budgetary resources available for obligation	158	198	
23.95 Total new obligations .....	-60	-198	
24.40 Unobligated balance carried forward, end of year	98		
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	99	100	
40.36 Unobligated balance permanently reduced .....	-3		
43.00 Appropriation (total discretionary) .....	96	100	
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	1,754	1,296	1,044
73.10 Total new obligations .....	60	198	
73.20 Total outlays (gross) .....	-516	-450	-400
73.45 Recoveries of prior year obligations .....	-2		
74.40 Obligated balance, end of year .....	1,296	1,044	644
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....		3	
86.93 Outlays from discretionary balances .....	516	447	400
87.00 Total outlays (gross) .....	516	450	400
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	96	100	
90.00 Outlays .....	516	450	400

The HOPE VI program in coordination with funding from the Public Housing Capital Fund has completed its goal of contributing to the demolition of 100,000 severely distressed public housing units. The HOPE VI program, while completing its goal, was found to be more costly than other programs and slow to complete redevelopments. The budget proposes no additional funds.

The remaining balance in this program of over \$1.4 billion at the end of 2006 will spend out over several years as the redevelopment projects are completed. Cumulative results of the HOPE VI program as of June 30, 2007 follow: 68,657 households have been relocated, 87,445 units have been demolished, 61,222 units (new and rehabilitated) have been completed, and 58,719 completed units have been occupied.

NATIVE AMERICAN HOUSING BLOCK GRANTS

For the Native American Housing Block Grants program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (25 U.S.C. 4111 et seq.), [\$630,000,000] \$627,000,000, to remain available until expended: *Provided*, That, notwithstanding the Native American Housing Assistance and Self-Determination Act of 1996, to determine the amount of the allocation under title I of such Act for each Indian tribe, the Secretary shall apply the formula under section 302 of such Act with the need component based on single-race Census data and with the need component based on multi-race Census data, and the amount of the allocation for each Indian tribe shall be the greater of the two resulting allocation amounts: *Provided further*, That of the amounts made available under this heading, [\$2,000,000 shall be contracted for assistance for a national organization representing

Native American Housing interests for providing training and technical assistance to Indian Housing authorities and tribally designated housing entities as authorized under NAHASDA; and] \$4,250,000 shall be to support the inspection of Indian housing units, contract expertise, training, and technical assistance in the training, oversight, and management of such Indian housing and tenant-based assistance, including up to \$300,000 for related travel: *Provided further*, That of the amount provided under this heading, [\$1,980,000] \$2,000,000 shall be made available for the cost of guaranteed notes and other obligations, as authorized by title VI of NAHASDA: *Provided further*, That such costs, including the costs of modifying such notes and other obligations, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize the total principal amount of any notes and other obligations, any part of which is to be guaranteed, not to exceed \$17,000,000. (*Department of Housing and Urban Development Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 86-0313-0-1-604	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.02 Title VI Loan Guarantee Subsidy .....	1	2	2
00.07 Upward reestimate .....	2		
00.10 Indian Housing Block Grants .....	641	667	621
00.11 Technical Assistance .....	5	10	4
00.12 NAHHC .....		2	
10.00 Total new obligations (object class 41.0) .....	649	681	627
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	75	55	4
22.00 New budget authority (gross) .....	626	630	627
22.10 Resources available from recoveries of prior year obligations .....	3		
23.90 Total budgetary resources available for obligation	704	685	631
23.95 Total new obligations .....	-649	-681	-627
24.40 Unobligated balance carried forward, end of year	55	4	4
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	624	630	627
Mandatory:			
60.00 Appropriation .....	2		
70.00 Total new budget authority (gross) .....	626	630	627
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	933	997	1,069
73.10 Total new obligations .....	649	681	627
73.20 Total outlays (gross) .....	-582	-609	-630
73.45 Recoveries of prior year obligations .....	-3		
74.40 Obligated balance, end of year .....	997	1,069	1,066
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	168	186	185
86.93 Outlays from discretionary balances .....	412	423	445
86.97 Outlays from new mandatory authority .....	2		
87.00 Total outlays (gross) .....	582	609	630
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	626	630	627
90.00 Outlays .....	582	609	630

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

Identification code 86-0313-0-1-604	2007 actual	2008 est.	2009 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Title VI Indian Federal Guarantees Program .....	12	17	17
215999 Total loan guarantee levels .....	12	17	17
Guaranteed loan subsidy (in percent):			
232001 Title VI Indian Federal Guarantees Program .....	11.99	12.12	12.34
232999 Weighted average subsidy rate .....	11.99	12.12	12.34
Guaranteed loan subsidy budget authority:			
233001 Title VI Indian Federal Guarantees Program .....	1	2	2



233999 Total subsidy budget authority	1	2	2
Guaranteed loan subsidy outlays:			
234001 Title VI Indian Federal Guarantees Program	2	2	2
234999 Total subsidy outlays	2	2	2
Guaranteed loan upward reestimates:			
235001 Title VI Indian Federal Guarantees Program	2		
235999 Total upward reestimate budget authority	2		
Guaranteed loan downward reestimates:			
237001 Title VI Indian Federal Guarantees Program	-7	-3	
237999 Total downward reestimate subsidy budget authority	-7	-3	

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

The Native American Housing Block Grant program includes a guaranteed loan provision (Title VI). A guarantee level of \$17 million is proposed for this loan guarantee program for 2009. A primary goal of the Title VI program is to encourage private lenders to provide financing in Indian country. Therefore, the program provides for the federal guarantee of notes or other obligations issued by Indian tribes or tribally designated housing entities for the purpose of financing affordable housing activities described in section 202 of the Act.

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

NATIVE HAWAIIAN HOUSING BLOCK GRANT

For the Native Hawaiian Housing Block Grant program, as authorized under title VIII of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4111 et seq.), **[\$9,000,000] \$5,940,000**, to remain available until expended, of which **\$300,000**: *Provided, That of this amount, \$299,211 shall be for training and technical assistance activities, including up to \$100,000 for related travel. (Department of Housing and Urban Development Appropriations Act, 2008.)*

Program and Financing (in millions of dollars)

Identification code 86-0235-0-1-604	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Native Hawaiian Housing Block Grant	8	18	6
10.00 Total new obligations (object class 41.0)	8	18	6
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	9	10	1
22.00 New budget authority (gross)	9	9	6
23.90 Total budgetary resources available for obligation	18	19	7

23.95 Total new obligations	-8	-18	-6
24.40 Unobligated balance carried forward, end of year	10	1	1
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation	9	9	6
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year			11
73.10 Total new obligations	8	18	6
73.20 Total outlays (gross)	-8	-7	-6
74.40 Obligated balance, end of year		11	11
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority		1	
86.93 Outlays from discretionary balances	8	6	6
87.00 Total outlays (gross)	8	7	6
<b>Net budget authority and outlays:</b>			
89.00 Budget authority	9	9	6
90.00 Outlays	8	7	6

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.

LOW-RENT PUBLIC HOUSING—LOANS AND OTHER EXPENSES

Program and Financing (in millions of dollars)

Identification code 86-4098-0-3-604	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
09.01 Reimbursable program: Capital investment loans to PHAs	1	1	1
10.00 Total new obligations (object class 43.0)	1	1	1
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year		1	1
22.00 New budget authority (gross)	95	100	100
22.60 Portion applied to repay debt	-93	-99	-93
23.90 Total budgetary resources available for obligation	2	2	8
23.95 Total new obligations	-1	-1	-1
24.40 Unobligated balance carried forward, end of year	1	1	7
<b>New budget authority (gross), detail:</b>			
Mandatory:			
67.10 Authority to borrow	2	1	1
69.00 Spending authority from offsetting collections: Offsetting collections (cash)	93	99	99
70.00 Total new budget authority (gross)	95	100	100
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year	305	247	148
73.10 Total new obligations	1	1	1
73.20 Total outlays (gross)	-59	-100	-100
74.40 Obligated balance, end of year	247	148	49
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority	59	100	100

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

Program and Financing (in millions of dollars)—Continued

Identification code 86-4098-0-3-604	2007 actual	2008 est.	2009 est.
<b>Offsets:</b>			
88.00 Against gross budget authority and outlays:			
Offsetting collections (cash) from: Federal sources	-93	-99	-99
<b>Net budget authority and outlays:</b>			
89.00 Budget authority	2	1	1
90.00 Outlays	-34	1	1

Status of Direct Loans (in millions of dollars)

Identification code 86-4098-0-3-604	2007 actual	2008 est.	2009 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	884	791	692
1251 Repayments: Repayments and prepayments	-93	-99	-99
1290 Outstanding, end of year	791	692	593

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4098-0-3-604	2007 actual	2008 est.	2009 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	1,140	898	656
2251 Repayments and prepayments	-242	-242	-267
2290 Outstanding, end of year	898	656	389
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	898	600	178

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, \$2 million borrowed from the Treasury was forgiven in 2007, \$1 million will be borrowed from the Treasury and forgiven in 2008, and an estimated \$1 million will be borrowed from the Treasury and forgiven in 2009.

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 2006 and 2007 follows:

Balance Sheet (in millions of dollars)

Identification code 86-4098-0-3-604	2006 actual	2007 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury	305	247
1601 Direct loans, gross	885	791
1602 Interest receivable	54	48
1604 Direct loans and interest receivable, net	939	839
1699 Value of assets related to direct loans	939	839
1999 Total assets	1,244	1,086
<b>LIABILITIES:</b>		
Federal liabilities:		
2102 Interest payable	107	96
2104 Resources payable to Treasury	884	790
2999 Total liabilities	991	886
<b>NET POSITION:</b>		
3100 Appropriated capital	259	207

3300 Cumulative results of operations	-6	-7
3999 Total net position		200
4999 Total liabilities and net position	1,244	1,086

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

For the cost of guaranteed loans, as authorized by section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a), **[\$7,450,000] \$9,000,000**, to remain available until expended: *Provided*, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, up to **[\$367,000,000] \$420,000,000**: *Provided further*, That up to **\$750,000** shall be for administrative contract expenses including management processes and systems to carry out the loan guarantee program. (Department of Housing and Urban Development Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 86-0223-0-1-371	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.02 Guaranteed loan subsidy	6	9	11
00.12 Administrative Contract Expenses			1
10.00 Total new obligations	6	9	12
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	5	6	4
22.00 New budget authority (gross)	7	7	9
23.90 Total budgetary resources available for obligation	12	13	13
23.95 Total new obligations	-6	-9	-12
24.40 Unobligated balance carried forward, end of year	6	4	1
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation	6	7	9
Mandatory:			
60.00 Appropriation	1		
70.00 Total new budget authority (gross)	7	7	9
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year	2	2	4
73.10 Total new obligations	6	9	12
73.20 Total outlays (gross)	-6	-7	-9
74.40 Obligated balance, end of year	2	4	7
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority	2	5	6
86.93 Outlays from discretionary balances	3	2	3
86.97 Outlays from new mandatory authority	1		
87.00 Total outlays (gross)	6	7	9
<b>Net budget authority and outlays:</b>			
89.00 Budget authority	7	7	9
90.00 Outlays	6	7	9

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

Identification code 86-0223-0-1-371	2007 actual	2008 est.	2009 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Indian Housing Loan Guarantee	235	367	420
215999 Total loan guarantee levels	235	367	420
Guaranteed loan subsidy (in percent):			
232001 Indian Housing Loan Guarantee	2.35	2.42	2.52
232999 Weighted average subsidy rate	2.35	2.42	2.52
Guaranteed loan subsidy budget authority:			
233001 Indian Housing Loan Guarantee	5	9	11
233999 Total subsidy budget authority	5	9	11

Guaranteed loan subsidy outlays:			
234001 Indian Housing Loan Guarantee .....	5	4	4
234999 Total subsidy outlays .....	5	4	4
Guaranteed loan upward reestimates:			
235001 Indian Housing Loan Guarantee .....	1		
235999 Total upward reestimate budget authority .....	1		
Guaranteed loan downward reestimates:			
237001 Indian Housing Loan Guarantee .....	-1	-6	
237999 Total downward reestimate subsidy budget authority .....	-1	-6	

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

This program provides access to sources of private financing for Indian families, Indian tribes, and their tribally designated housing entities who otherwise could not acquire housing financing because of the unique legal status of Indian trust land. The Budget proposes increased funding to support additional loan guarantee activity and to provide managerial and systems support. The latter is important given the significant growth in loan activity under this program. Loan commitments increased 128 percent from 2005 to 2007, supporting homeownership efforts on Indian lands.

**Object Classification** (in millions of dollars)

Identification code 86-0223-0-1-371	2007 actual	2008 est.	2009 est.
Direct obligations:			
25.2 Other services .....			1
41.0 Grants, subsidies, and contributions .....	6	9	11
99.9 Total new obligations .....	6	9	12

**INDIAN HOUSING LOAN GUARANTEE FUND FINANCING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 86-4104-0-3-604	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Default Claims .....	1	1	1
08.02 Downward Re-estimate .....		6	
10.00 Total new obligations .....	1	7	1
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	14	22	19
22.00 New financing authority (gross) .....	9	4	4
23.90 Total budgetary resources available for obligation .....	23	26	23
23.95 Total new obligations .....	-1	-7	-1
24.40 Unobligated balance carried forward, end of year .....	22	19	22
<b>New financing authority (gross), detail:</b>			
Mandatory:			
69.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	9	4	4
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	-2	-2	5
73.10 Total new obligations .....	1	7	1
73.20 Total financing disbursements (gross) .....	-1		
74.40 Obligated balance, end of year .....	-2	5	6
<b>Outlays (gross), detail:</b>			
87.00 Total financing disbursements (gross) .....	1		
<b>Offsets:</b>			
Against gross financing authority and financing disbursements:			

Offsetting collections (cash) from:			
88.00 Federal sources: Payments from program account .....	-6	-4	-4
88.25 Interest on uninvested funds .....	-1		
88.40 Non-Federal sources .....	-2		
88.90 Total, offsetting collections (cash) .....	-9	-4	-4
<b>Net financing authority and financing disbursements:</b>			
89.00 Financing authority .....			
90.00 Financing disbursements .....	-8	-4	-4

**Status of Guaranteed Loans** (in millions of dollars)

Identification code 86-4104-0-3-604	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders .....	251	367	350
2121 Limitation available from carry-forward .....	98	114	114
2142 Uncommitted loan guarantee limitation .....			
2143 Uncommitted limitation carried forward .....	-114	-114	-44
2150 Total guaranteed loan commitments .....	235	367	420
2199 Guaranteed amount of guaranteed loan commitments .....	235	367	420
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	362	584	920
2231 Disbursements of new guaranteed loans .....	251	367	420
2251 Repayments and prepayments .....	-28	-30	-32
2263 Adjustments: Terminations for default that result in claim payments .....	-1	-1	-1
2290 Outstanding, end of year .....	584	920	1,307
<b>Memorandum:</b>			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	581	920	1,307

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	2006 actual	2007 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	13	21
1999 Total assets .....	13	21
<b>LIABILITIES:</b>		
Non-Federal liabilities:		
2204 Liabilities for loan guarantees .....	10	16
2207 Unearned revenues and advances .....	3	5
2999 Total liabilities .....	13	21
4999 Total liabilities and net position .....	13	21

**[NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT]**

[For the cost of guaranteed loans, as authorized by section 184A of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13b), \$1,044,000, to remain available until expended: *Provided*, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$41,504,255.] (*Department of Housing and Urban Development Appropriations Act, 2008.*)

[NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND PROGRAM  
ACCOUNT]—Continued

## Program and Financing (in millions of dollars)

Identification code 86-0233-0-1-371	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.02 Guaranteed loan subsidy .....		1	1
10.00 Total new obligations (object class 41.0) .....		1	1
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	5	6	6
22.00 New budget authority (gross) .....	1	1	
23.90 Total budgetary resources available for obligation	6	7	6
23.95 Total new obligations .....		-1	-1
24.40 Unobligated balance carried forward, end of year	6	6	5
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	1	1	
<b>Change in obligated balances:</b>			
73.10 Total new obligations .....		1	1
73.20 Total outlays (gross) .....		-1	-1
<b>Outlays (gross), detail:</b>			
86.93 Outlays from discretionary balances .....		1	1
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	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	2007 actual	2008 est.	2009 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Native Hawaiian Housing Loan Guarantees .....	43	41	41
215999 Total loan guarantee levels .....	43	41	41
Guaranteed loan subsidy (in percent):			
232001 Native Hawaiian Housing Loan Guarantees .....	2.35	2.42	2.52
232999 Weighted average subsidy rate .....	2.35	2.42	2.52
Guaranteed loan subsidy budget authority:			
233001 Native Hawaiian Housing Loan Guarantees .....	1	1	1
233999 Total subsidy budget authority .....	1	1	1
Guaranteed loan subsidy outlays:			
234001 Native Hawaiian Housing Loan Guarantees .....	1	1	1
234999 Total subsidy outlays .....	1	1	1

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

This program provides access to sources of private financing to eligible Native Hawaiian families who reside on the Hawaiian Home Lands and who otherwise could not acquire private financing because of the unique legal status of the Hawaiian Home Lands. The Budget proposes no funds for this program in 2009 because the unobligated balance of credit subsidy and the uncommitted loan limitation brought forward will be sufficient to support 2009 loan volume.

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND FINANCING  
ACCOUNT

## Program and Financing (in millions of dollars)

Identification code 86-4351-0-3-371	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.02 Direct Program Activity .....			1
10.00 Total new obligations .....			1
<b>Budgetary resources available for obligation:</b>			
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
<b>New financing authority (gross), detail:</b>			
Mandatory:			
69.00 Spending authority from offsetting collections: Offsetting collections (cash) .....		1	1
<b>Change in obligated balances:</b>			
73.10 Total new obligations .....			1
74.40 Obligated balance, end of year .....			1
<b>Offsets:</b>			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from: Federal sources: Payments from program account .....		-1	-1
<b>Net financing authority and financing disbursements:</b>			
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	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders .....	36	41	
2121 Limitation available from carry-forward .....	191	184	184
2143 Uncommitted limitation carried forward .....	-184	-184	-143
2150 Total guaranteed loan commitments .....	43	41	41
2199 Guaranteed amount of guaranteed loan commitments	43	41	41
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	2	43	80
2231 Disbursements of new guaranteed loans .....	43	41	41
2251 Repayments and prepayments .....	-2	-4	-4
2290 Outstanding, end of year .....	43	80	117
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	43	80	117

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	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Default Claims .....		2	2
08.02 Downward Reestimate .....	6	3	
08.04 Interest on Downward Reestimate .....	1		
08.91 Direct Program by Activities—Subtotal (1 level) .....	7	3	
10.00 Total new obligations .....	7	5	2
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	18	14	11
22.00 New financing authority (gross) .....	3	2	2
23.90 Total budgetary resources available for obligation .....	21	16	13
23.95 Total new obligations .....	-7	-5	-2
24.40 Unobligated balance carried forward, end of year .....	14	11	11
<b>New financing authority (gross), detail:</b>			
Mandatory:			
69.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	3	2	2
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	-1	-1	4
73.10 Total new obligations .....	7	5	2
73.20 Total financing disbursements (gross) .....	-7		
74.40 Obligated balance, end of year .....	-1	4	6
<b>Outlays (gross), detail:</b>			
87.00 Total financing disbursements (gross) .....	7		
<b>Offsets:</b>			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from: Federal sources .....	-3	-2	-2
<b>Net financing authority and financing disbursements:</b>			
89.00 Financing authority .....			
90.00 Financing disbursements .....	4	-2	-2

## Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4244-0-3-604	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders .....	18	12	17
2121 Limitation available from carry-forward .....	35	40	35
2142 Uncommitted loan guarantee limitation .....	-1		
2143 Uncommitted limitation carried forward .....	-40	-35	-35
2150 Total guaranteed loan commitments .....	12	17	17
2199 Guaranteed amount of guaranteed loan commitments .....	12	17	17
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	83	89	97
2231 Disbursements of new guaranteed loans .....	11	15	15
2251 Repayments and prepayments .....	-5	-5	-5
2263 Adjustments: Terminations for default that result in claim payments .....		-2	-2
2290 Outstanding, end of year .....	89	97	105
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	84	97	105

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

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

## Balance Sheet (in millions of dollars)

Identification code 86-4244-0-3-604	2006 actual	2007 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	17	14
1999 Total assets .....	17	14
<b>LIABILITIES:</b>		
2204 Non-Federal liabilities: Liabilities for loan guarantees .....	17	14
2999 Total liabilities .....	17	14
4999 Total liabilities and net position .....	17	14

## COMMUNITY PLANNING AND DEVELOPMENT

## Federal Funds

## HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

## (INCLUDING TRANSFER OF FUNDS)

For carrying out the Housing Opportunities for Persons with AIDS program, as authorized by the AIDS Housing Opportunity Act (42 U.S.C. 12901 et seq.), \$300,100,000, to remain available until September 30, [2009] 2010, except that amounts allocated pursuant to section 854(c)(3) of such Act shall remain available until September 30, [2010] 2011: *Provided*, That the Secretary shall renew all expiring contracts for permanent supportive housing that were funded under section 854(c)(3) of such Act that meet all program requirements before awarding funds for new contracts and activities authorized under this section: *Provided further*, That the Secretary may use not to exceed \$1,485,000 of the funds under this heading for training, oversight, and technical assistance activities[; and not to exceed \$1,485,000 may] : *Provided further*, That of the total amount made available under this heading, at least \$1,750,000 shall, and up to \$2,187,500 may, be transferred to the Working Capital Fund. (Department of Housing and Urban Development Appropriations Act, 2008.)

## Program and Financing (in millions of dollars)

Identification code 86-0308-0-1-604	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Housing for Persons with HIV/AIDS .....	261	299	298
10.00 Total new obligations (object class 41.0) .....	261	299	298
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	90	115	114
22.00 New budget authority (gross) .....	286	298	298
23.90 Total budgetary resources available for obligation .....	376	413	412
23.95 Total new obligations .....	-261	-299	-298
24.40 Unobligated balance carried forward, end of year .....	115	114	114
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	286	300	300
41.00 Transferred to other accounts .....	-28	-2	-2
42.00 Transferred from other accounts .....	28		
43.00 Appropriation (total discretionary) .....	286	298	298
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	455	438	434
73.10 Total new obligations .....	261	299	298
73.20 Total outlays (gross) .....	-278	-303	-289
74.40 Obligated balance, end of year .....	438	434	443
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	2	6	6
86.93 Outlays from discretionary balances .....	276	297	283
87.00 Total outlays (gross) .....	278	303	289
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	286	298	298

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS—Continued  
(INCLUDING TRANSFER OF FUNDS)—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 86-0308-0-1-604	2007 actual	2008 est.	2009 est.
90.00 Outlays .....	278	303	289

The Housing Opportunities for Persons With AIDS (HOPWA) program provides States and localities with resources and incentives to devise long-term comprehensive strategies for meeting the housing needs of persons with HIV/AIDS and their families. HOPWA funds provide stable housing arrangements, help reduce risks of homelessness and improve access to care for program participants. HOPWA funding is used in an efficient manner, resulting in the program's achievement of performance goals at a very modest cost per person assisted. The \$300 million requested for 2009 will support approximately 70,500 housing units for persons with HIV/AIDS and their families.

States and metropolitan areas receive 90 percent of funds by formula based on the number of cases of AIDS. The final 10 percent is awarded competitively to States, local governments, and private nonprofit entities, including faith-based organizations, for projects of national significance with priority for renewal of the projects providing permanent supportive housing. Awards are also made to States and local governments for projects in jurisdictions that do not qualify for a formula allocation. In addition, approximately \$1.5 million is available for technical assistance to grantees and project sponsors to strengthen management of programs and ensure responsiveness in meeting client needs. Another \$1.75 million is transferred to the Working Capital Fund to support information technology systems needed to operate the program.

It is proposed that the data sources used to calculate annual HOPWA formula allocations for eligible States and cities be updated to permit HUD to implement adjustments to the HOPWA formula through regulation by using current data on the number of persons living with AIDS and to allow for a housing cost factor that reflects differences in area housing needs. 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 differences in housing costs in the qualifying areas.

COMMUNITY DEVELOPMENT FUND  
(INCLUDING TRANSFER OF FUNDS)  
(CANCELLATION)

For assistance to units of State and local government, and to other entities, for economic and community development activities, and for other purposes, ~~[\$3,865,800,000]~~ \$3,000,000,000, to remain available until September 30, ~~[2010]~~ 2011, unless otherwise specified: *Provided*, That of the total amount provided, ~~[\$3,593,430,000]~~ up to \$2,934,405,000 is for carrying out the community development block grant program under title I of the Housing and Community Development Act of 1974, as amended (the "Act" herein) (42 U.S.C. 5301 et seq.): *Provided further*, That unless explicitly provided for under this heading [(except for planning grants provided in the second paragraph and amounts made available under the third paragraph)], not to exceed 20 percent of any grant made with funds appropriated under this heading shall be expended for planning and management development and administration: *Provided further*, That [not to exceed \$1,570,000 may be] of the total amount made available under this heading, at least \$3,175,000 shall, and up to \$3,968,750 may, be transferred to the Working Capital Fund: *Provided further*, That ~~[\$3,000,000]~~ \$5,000,000 is for technical assistance as authorized by section 107(b)(4) of such Act: *Provided further*, That ~~[\$62,000,000]~~ \$57,420,000 shall be for grants to Indian tribes notwithstanding sec-

tion 106(a)(1) of such Act, of which, notwithstanding any other provision of law (including section 305 of this Act), up to \$3,960,000 may be used for emergencies that constitute imminent threats to health and safety.

*Of the unobligated balances remaining from funds appropriated in fiscal year 2008 under the heading "Community Development Fund," for grants for the Economic Development Initiative, \$179,830,000 is cancelled.*

*Of the unobligated balances remaining from funds appropriated in fiscal year 2008 under the heading "Community Development Fund," for grants for neighborhood initiatives, \$25,970,000 is cancelled.*

[Of the amount made available under this heading, \$179,830,000 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 explanatory statement accompanying this Act: *Provided*, That the amount made available for each grant shall be at the level of 98 percent of the corresponding amount cited in said explanatory statement: *Provided further*, That none of the funds provided under this paragraph may be used for program operations: *Provided further*, That, for fiscal years 2006, 2007, and 2008, 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, \$25,970,000 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 explanatory statement accompanying this Act: *Provided further*, That the amount made available for each initiative shall be at the level of 98 percent of the corresponding amount cited in said explanatory statement. The statement of managers correction referenced in the second paragraph under this heading in title III of division A of Public Law 109-115 is deemed to be amended with respect to item number 846 by striking "Mahanoy City, Pennsylvania for improvements to West Market Street" and inserting "Mahanoy City, Pennsylvania for improvements to Centre Street". The statement of managers correction referenced in the second paragraph under this heading in title III of division A of Public Law 109-115 is deemed to be amended with respect to item number 250 by striking "for renovation and construction of a resource center" and inserting "for construction of a homeless shelter". The statement of managers correction referenced in the second paragraph under this heading in title III of division A of Public Law 109-115 is deemed to be amended with respect to item number 713 by striking "for construction of a senior center" and inserting "renovation and expansion of facilities". The statement of managers correction referenced in the second paragraph under this heading in title III of division A of Public Law 109-115 is deemed to be amended with respect to item number 844 by striking "Liverpool Township" and inserting "Liverpool Borough". The referenced statement of managers under this heading in title II of division I of Public Law 108-447 is deemed to be amended with respect to item number 36 by striking "respite care facility" and inserting "rehabilitative care facility for the developmentally disabled". The referenced statement of managers under this heading in title II of division I of Public Law 108-7 is deemed to be amended with respect to item number 608 by striking "construct" and inserting "purchase and make improvements to facilities for". The referenced statement of managers under this heading in title II of division I of Public Law 108-447 is deemed to be amended with respect to item number 521 by striking "Missouri" and inserting "Metropolitan Statistical Area". The referenced statement of managers under the heading "Community Development Fund" in title II of Public Law 108-447 is deemed to be amended with respect to item number 203 by striking "equipment" and inserting "renovation and construction". The referenced statement of managers under the heading "Community Development Fund" in title III of division A of Public Law 109-115 is deemed to be amended with respect to item number 696 by striking "a Small Business Development Center" and inserting "for revitalization costs at the College of Agriculture Biotechnology and Natural Resources". The referenced statement of managers under the heading "Community Development Fund" in title III of division A of Public Law 109-115 is deemed to be amended with respect

to item number 460 by striking “Maine-Mawoshen One Country, Two Worlds Project” and inserting “Sharing Maine’s Maritime Heritage Project—Construction and access to exhibits”.The referenced statement of managers under the heading “Community Development Fund” in title III of division A of Public Law 109–115 is deemed to be amended with respect to item number 914 by striking “the Pastime Theatre in Bristol, Rhode Island for building improvements” and inserting “the Institute for the Study and Practice of Nonviolence in Providence, Rhode Island for building renovations”.The referenced statement of managers under the heading “Community Development Fund” in title III of division A of Public Law 109–115 is deemed to be amended with respect to item number 918 by striking “South Kingstown” and inserting “Washington County”.The referenced statement of managers under the heading “Community Development Fund” in title III of division A of Public Law 109–115 is deemed to be amended with respect to item number 624 by striking “for the construction of a new technology building” and inserting “for renovations to the Wheeler Community Center”.The referenced statement of the managers under this heading in Public Law 109–115 is deemed to be amended with respect to item number 1065 by inserting “South” prior to “Burlington”.The referenced statement of managers under the heading “Community Development Fund” in title III of division A of Public Law 109–115 is deemed to be amended with respect to item number 102 by striking “for preservation of the CA Mining and Mineral Museum” and inserting “for planning, design, and construction of the CA Mining and Mineral Museum” in its place.】 (Department of Housing and Urban Development Appropriations Act, 2008.)

【“Sec. 159.(a) Notwithstanding any other provision of this joint resolution, and in addition to amounts otherwise made available by this joint resolution, there is appropriated \$3,000,000,000 for ‘Department of Housing and Urban Development—Community Planning and Development—Community Development Fund’, to remain available until expended, to enable the Secretary of Housing and Urban Development to make a grant or grants to the State of Louisiana solely for the purpose of covering costs associated with otherwise uncompensated but eligible claims that were filed on or before July 31, 2007, under the Road Home program administered by the State in accordance with plans approved by the Secretary.

“(b) In allocating funds under this section, the Secretary of Housing and Urban Development shall ensure that such funds serve only to supplement and not supplant any other State or Federal resources committed to the Road Home program. No funds shall be drawn from the Treasury under this section beyond those necessary to fulfill the exclusive purpose of this section.

“(c) The amount provided by this section is designated as an emergency requirement and necessary to meet emergency needs pursuant to subsections (a) and (b) of section 204 of S. Con. Res. 21 (110th Congress), the concurrent resolution on the budget for fiscal year 2008.”.】 (P.L. 110–116.)

**Program and Financing** (in millions of dollars)

Identification code 86–0162–0–1–451	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Community Development Formula Grants .....	3,559	4,211	2,934
00.03 Indian Tribes .....	62	59	57
00.04 Special Purpose Grants .....	4	3	5
00.05 Youthbuild .....	49	1	.....
00.07 Economic Development Initiative Grants .....	274	72	.....
00.08 Neighborhood Initiative Demonstration .....	37	11	.....
00.10 Disaster Assistance .....	5,256	3,001	.....
10.00 Total new obligations (object class 41.0) .....	9,241	7,358	2,996
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	6,236	762	268
22.00 New budget authority (gross) .....	3,770	6,864	2,791
22.10 Resources available from recoveries of prior year obligations .....	1	.....	.....
23.90 Total budgetary resources available for obligation .....	10,007	7,626	3,059
23.95 Total new obligations .....	–9,241	–7,358	–2,996
23.98 Unobligated balance expiring or withdrawn .....	–4	.....	.....
24.40 Unobligated balance carried forward, end of year .....	762	268	63
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	3,772	6,866	3,000
40.36 Unobligated balance permanently reduced .....	.....	.....	–206

41.00	Transferred to other accounts .....	–2	–2	–3
43.00	Appropriation (total discretionary) .....	3,770	6,864	2,791
<b>Change in obligated balances:</b>				
72.40	Obligated balance, start of year .....	21,413	19,768	15,668
73.10	Total new obligations .....	9,241	7,358	2,996
73.20	Total outlays (gross) .....	–10,867	–11,458	–8,123
73.40	Adjustments in expired accounts (net) .....	–18	.....	.....
73.45	Recoveries of prior year obligations .....	–1	.....	.....
74.40	Obligated balance, end of year .....	19,768	15,668	10,541
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....	35	2,177	56
86.93	Outlays from discretionary balances .....	10,832	9,281	8,067
87.00	Total outlays (gross) .....	10,867	11,458	8,123
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	3,770	6,864	2,791
90.00	Outlays .....	10,867	11,458	8,123

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

The Budget re-proposes the CDBG Reform Act, which adopts an improved formula to better target funds to communities with the greatest economic need and holds communities accountable for results. The current formula has not been updated in over 30 years and as a result, many lower-income communities receive less assistance than wealthier communities. In addition to the improved formula, the proposal would be designed with a Challenge Grant Fund component, which provides incentives to communities to invest in projects more strategically. Legislation to authorize these reforms will be transmitted in early 2008. The Budget also proposes \$5 million in technical assistance funding to assist grantees in the program and at least \$3 million for the Working Capital Fund.

As part of the reforms, HUD programs such as Brownfields Economic Development Initiative, Community Development Loan Guarantee Program (Section 108), and Rural Housing and Economic Development are proposed for termination. These programs are duplicative — their activities are eligible to be funded by CDBG and other Federal programs.

The Indian Community Development Block Grant program will continue to be funded in this account at \$57 million. This program provides eligible grantees with direct grants for use in developing viable Indian and Alaska Native Communities, including decent housing, a suitable living environment, and economic opportunities, primarily for low and moderate income persons.

**EMPOWERMENT ZONES/ENTERPRISE COMMUNITIES/RENEWAL COMMUNITIES**

Program and Financing		(in millions of dollars)		
Identification code 86–0315–0–1–451		2007 actual	2008 est.	2009 est.
<b>Budgetary resources available for obligation:</b>				
24.40	Unobligated balance carried forward, end of year .....	.....	.....	.....
<b>Change in obligated balances:</b>				
72.40	Obligated balance, start of year .....	94	69	42
73.20	Total outlays (gross) .....	–25	–27	–18



EMPOWERMENT ZONES/ENTERPRISE COMMUNITIES/RENEWAL  
COMMUNITIES—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 86-0315-0-1-451	2007 actual	2008 est.	2009 est.
74.40 Obligated balance, end of year .....	69	42	24
<b>Outlays (gross), detail:</b>			
86.93 Outlays from discretionary balances .....	25	27	18
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			
90.00 Outlays .....	25	27	18

No funding is requested for Empowerment Zones/Enterprise Communities/Renewal Communities (EZ/EC/RC).

The EZ/EC/RC initiative helps revitalize distressed neighborhoods by attracting business development and providing employment opportunities to residents of high poverty urban areas. The initiative complements the President's goals of strengthening communities and focusing federal resources on areas of greatest need, primarily through the expansion of businesses. This effort will continue to be done through tax incentives rather than grants.

An amendment to the Internal Revenue Code enacted in 2001 approved major tax incentives to revitalize areas of pervasive poverty, unemployment, and general distress, and HUD designated 40 urban and rural RCs and a third round of 8 urban EZs under the 2001 law. The designations under that law continue into FY 2010. The 2001 law also allows the 22 urban EZs from the earlier rounds to receive the same package of tax incentives for the same time period.

【BROWNFIELDS REDEVELOPMENT】

【For competitive economic development grants, as authorized by section 108(q) of the Housing and Community Development Act of 1974, as amended, for Brownfields redevelopment projects, \$10,000,000, to remain available until September 30, 2009: *Provided*, That no funds made available under this heading may be used to establish loan loss reserves for the section 108 Community Development Loan Guarantee program】. (*Department of Housing and Urban Development Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 86-0314-0-1-451	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Cleanup and develop contaminated sites .....	5	33	10
10.00 Total new obligations (object class 41.0) .....	5	33	10
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	12	33	10
22.00 New budget authority (gross) .....	6	10	
22.10 Resources available from recoveries of prior year obligations .....	20		
23.90 Total budgetary resources available for obligation	38	43	10
23.95 Total new obligations .....	-5	-33	-10
24.40 Unobligated balance carried forward, end of year	33	10	
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	10	10	
40.36 Unobligated balance permanently reduced .....	-4		
43.00 Appropriation (total discretionary) .....	6	10	
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	121	95	102
73.10 Total new obligations .....	5	33	10
73.20 Total outlays (gross) .....	-11	-26	-27
73.45 Recoveries of prior year obligations .....	-20		

74.40 Obligated balance, end of year .....	95	102	85
<b>Outlays (gross), detail:</b>			
86.93 Outlays from discretionary balances .....	11	26	27
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	6	10	
90.00 Outlays .....	11	26	27

The 2009 Budget requests no funding for the Brownfields Economic Development Initiative (BEDI) program and it is proposed to be terminated as a part of the broader CDBG program reforms. BEDI activities can be funded with Community Development Block Grant (CDBG) funds.

BEDI is a competitive grant program designed to stimulate and promote economic and community development, and is used in conjunction with the Community Development Loan Guarantee program. 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 were made in accordance with selection criteria deemed appropriate for brownfields projects, including an applicant's capacity to operate a brownfields program and the extent it works with environmental regulatory agencies, as well as the projected future economic benefits to the community.

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, 【\$1,704,000,000】 \$1,916,640,000, to remain available until September 30, 【2010】 2011, of which 【not to exceed \$3,465,000 may】 at least \$4,200,000 shall, and up to \$5,250,000 may, be transferred to the Working Capital Fund: *Provided*, That up to 【\$12,500,000】 \$9,900,000 shall be available for technical assistance: 【*Provided further*, That of the total amount provided in this paragraph, up to \$50,000,000 shall be available for housing counseling under section 106 of the Housing and Urban Development Act of 1968:】 *Provided further*, That, 【from】 amounts 【appropriated or otherwise】 made available under this heading【, \$10,000,000 may be made available to promote broader participation in homeownership through the American Dream Downpayment Initiative, as such initiative is set forth】 in prior appropriations Acts for Community Housing Development Organizations technical assistance, and that still remain available, may be used for HOME technical assistance notwithstanding the purposes for which such amounts were appropriated: *Provided further*, That in addition to amounts otherwise made available under this heading, \$50,000,000, to remain available until September 30, 2011, shall for assistance to homebuyers as authorized under section 271 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12821). (*Department of Housing and Urban Development Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 86-0205-0-1-604	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 HOME formula grants .....	1,711	1,700	2,000
00.02 Housing Counseling grants .....		50	
10.00 Total new obligations (object class 41.0) .....	1,711	1,750	2,000
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	269	319	270
22.00 New budget authority (gross) .....	1,756	1,701	1,963
22.10 Resources available from recoveries of prior year obligations .....	5		
23.90 Total budgetary resources available for obligation	2,030	2,020	2,233
23.95 Total new obligations .....	-1,711	-1,750	-2,000
24.40 Unobligated balance carried forward, end of year	319	270	233



HOMELESS ASSISTANCE GRANTS—Continued  
(INCLUDING TRANSFER OF FUNDS)—Continued

able for this demonstration program shall be used by the Secretary, expressly for the purposes of providing housing and services to homeless families in order to evaluate the effectiveness of the rapid rehousing approach in addressing the needs of homeless families] up to \$50,000,000 of the funds appropriated under this heading may be used for a Samaritan Housing Initiative that will specifically address the supportive housing needs of chronically homeless individuals: *Provided further*, 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 for individuals and families: *Provided further*, That all funds awarded for services shall be matched by not less than 25 percent in funding by each grantee: *Provided further*, That the Secretary shall renew on an annual basis expiring contracts or amendments to contracts funded under the shelter plus care program if the program is determined to be needed under the applicable continuum of care and meets appropriate program requirements and financial standards, as determined by the Secretary: *Provided further*, That all awards of assistance under this heading shall be required to coordinate and integrate homeless programs with other mainstream health, social services, and employment programs for which homeless populations may be eligible, including Medicaid, State Children's Health Insurance Program, Temporary Assistance for Needy Families, Food Stamps, and services funding through the Mental Health and Substance Abuse Block Grant, Workforce Investment Act, and the Welfare-to-Work grant program: *Provided further*, That up to \$8,000,000 of the funds appropriated under this heading shall be available for the national homeless data analysis project and technical assistance: *Provided further*, That [not to exceed \$2,475,000 of the funds appropriated] of the total amount made available under this heading, at least \$2,675,000 shall, and up to \$3,343,750 may, be transferred to the Working Capital Fund: *Provided further*, That \$3,000,000 of the funds appropriated under this heading shall be used to conduct an evaluation of demonstration programs: *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 [2008] 2009. (Department of Housing and Urban Development Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 86-0192-0-1-604	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Homeless Assistance Grants .....	1,315	1,729	1,680
00.02 National Homeless Data Analysis Project .....	2	4	.....
00.03 Technical Assistance .....	8	10	.....
00.04 Shelter Plus Care Renewals .....	1	2	.....
00.05 Section 8 Moderate Rehabilitation SRO .....	39	58	.....
10.00 Total new obligations (object class 41.0) .....	1,365	1,803	1,680
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	1,546	1,662	1,493
22.00 New budget authority (gross) .....	1,434	1,584	1,633
22.10 Resources available from recoveries of prior year obligations .....	50	50	50
23.90 Total budgetary resources available for obligation	3,030	3,296	3,176
23.95 Total new obligations .....	-1,365	-1,803	-1,680
23.98 Unobligated balance expiring or withdrawn .....	-3	.....	.....
24.40 Unobligated balance carried forward, end of year	1,662	1,493	1,496
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	1,442	1,586	1,636
40.36 Unobligated balance permanently reduced .....	-7	.....	.....
41.00 Transferred to other accounts .....	-1	-2	-3
43.00 Appropriation (total discretionary) .....	1,434	1,584	1,633
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	2,475	2,360	2,707
73.10 Total new obligations .....	1,365	1,803	1,680
73.20 Total outlays (gross) .....	-1,386	-1,406	-1,440
73.40 Adjustments in expired accounts (net) .....	-44	.....	.....
73.45 Recoveries of prior year obligations .....	-50	-50	-50

74.40	Obligated balance, end of year .....	2,360	2,707	2,897
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....	5	16	16
86.93	Outlays from discretionary balances .....	1,381	1,390	1,424
87.00	Total outlays (gross) .....	1,386	1,406	1,440
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	1,434	1,584	1,633
90.00	Outlays .....	1,386	1,406	1,440

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

The Budget requests \$1.636 billion for a wide range of activities to assist homeless persons and prevent future homelessness. Increased funding will continue to support the Administration's goal of ending chronic homelessness by creating new permanent supportive housing for this population. In addition, the Budget places a major emphasis on permanent housing by requiring 30 percent of funds to be used for this purpose. In fiscal year 2006, 57 percent of competitive funds awarded were used for housing purposes and it is estimated that the Budget will support approximately 160,000 emergency, transitional and permanent beds for homeless families and individuals.

The Administration will again propose legislation to combine HUD's three competitive grant programs—Shelter Plus Care, Supportive Housing, and Section 8 Moderate Rehabilitation Single Room Occupancy—into a single program with flexibility to better meet community needs. The new consolidated program will incorporate up to \$50 million for the Samaritan Housing Initiative that will specifically address the supportive housing needs of chronically homeless individuals. 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.

Funding is also requested for program evaluation and 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.

[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, 2008, 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, 2008.)

Program and Financing (in millions of dollars)

Identification code 86-0324-0-1-604	2007 actual	2008 est.	2009 est.	
<b>Obligations by program activity:</b>				
00.01	Rural Housing .....	16	22	17
10.00	Total new obligations (object class 41.0) .....	16	22	17

<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year	20	22	17
22.00	New budget authority (gross)	17	17	
22.10	Resources available from recoveries of prior year obligations	1		
23.90	Total budgetary resources available for obligation	38	39	17
23.95	Total new obligations	-16	-22	-17
24.40	Unobligated balance carried forward, end of year	22	17	

<b>New budget authority (gross), detail:</b>				
Discretionary:				
40.00	Appropriation	17	17	

<b>Change in obligated balances:</b>				
72.40	Obligated balance, start of year	42	37	36
73.10	Total new obligations	16	22	17
73.20	Total outlays (gross)	-20	-23	-23
73.45	Recoveries of prior year obligations	-1		
74.40	Obligated balance, end of year	37	36	30

<b>Outlays (gross), detail:</b>				
86.93	Outlays from discretionary balances	20	23	23

<b>Net budget authority and outlays:</b>				
89.00	Budget authority	17	17	
90.00	Outlays	20	23	23

The 2009 Budget requests no funding for the Rural Housing and Economic Development (RHED) program. The program is duplicative, particularly of programs provided through the U.S. Department of Agriculture, which manages a portfolio of rural housing and economic development grants programs that vastly exceed HUD's RHED program in terms of services, budget and staffing. The needs of rural communities are also addressed with greater resources through the Community Development Block Grants and HOME Investment Partnerships Program.

The RHED program was created to encourage innovative approaches to serve the housing and economic development needs of the nation's rural communities.

URBAN DEVELOPMENT ACTION GRANTS

Program and Financing (in millions of dollars)

Identification code 86-0170-0-1-451				
		2007 actual	2008 est.	2009 est.
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year	2	2	2
24.40	Unobligated balance carried forward, end of year	2	2	2

<b>Change in obligated balances:</b>				
72.40	Obligated balance, start of year	4	3	
73.20	Total outlays (gross)	-1	-3	
74.40	Obligated balance, end of year	3		

<b>Outlays (gross), detail:</b>				
86.93	Outlays from discretionary balances	1	3	

<b>Net budget authority and outlays:</b>				
89.00	Budget authority			
90.00	Outlays	1	3	

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

REVOLVING FUND (LIQUIDATING PROGRAMS)

Program and Financing (in millions of dollars)

Identification code 86-4015-0-3-451				
		2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>				
00.01	Section 312 expenses	1	1	1
10.00	Total new obligations (object class 32.0)	1	1	1

<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year	1	1	
22.00	New budget authority (gross)	2	2	2
22.40	Capital transfer to general fund	-1	-2	-1
23.90	Total budgetary resources available for obligation	2	1	1
23.95	Total new obligations	-1	-1	-1
24.40	Unobligated balance carried forward, end of year	1		

<b>New budget authority (gross), detail:</b>				
Mandatory:				
60.00	Appropriation	1	1	1
69.00	Spending authority from offsetting collections: Offsetting collections (cash)	1	1	1
70.00	Total new budget authority (gross)	2	2	2

<b>Change in obligated balances:</b>				
72.40	Obligated balance, start of year	2	2	
73.10	Total new obligations	1	1	1
73.20	Total outlays (gross)	-1	-3	-2
74.40	Obligated balance, end of year	2		-1

<b>Outlays (gross), detail:</b>				
86.97	Outlays from new mandatory authority	1	2	2
86.98	Outlays from mandatory balances		1	
87.00	Total outlays (gross)	1	3	2

<b>Offsets:</b>				
Against gross budget authority and outlays:				
88.40	Offsetting collections (cash) from: Non-Federal sources	-1	-1	-1

<b>Net budget authority and outlays:</b>				
89.00	Budget authority	1	1	1
90.00	Outlays		2	1

Status of Direct Loans (in millions of dollars)

Identification code 86-4015-0-3-451				
		2007 actual	2008 est.	2009 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year	6	5	3
1251	Repayments: Repayments and prepayments		-1	-1
1263	Write-offs for default: Direct loans	-1	-1	-1
1290	Outstanding, end of year	5	3	1

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. The operational expenses are financed from a permanent, indefinite appropriation to administer the remaining repayments of loans and recaptures in the portfolio. Annually, any amounts in the account are returned as a dividend to the Treasury.

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

REVOLVING FUND (LIQUIDATING PROGRAMS)—Continued

Balance Sheet (in millions of dollars)

Identification code 86-4015-0-3-451	2006 actual	2007 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	3	4
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	1
1699 Value of assets related to direct loans .....	2	1
1999 Total assets .....	5	5
<b>LIABILITIES:</b>		
2207 Non-Federal liabilities: Other .....	1	1
2999 Total liabilities .....	1	1
<b>NET POSITION:</b>		
3100 Appropriated capital .....	4	4
3999 Total net position .....	4	4
4999 Total liabilities and net position .....	5	5

**[COMMUNITY DEVELOPMENT LOAN GUARANTEES PROGRAM ACCOUNT]**

[For the cost of guaranteed loans, \$4,500,000, to remain available until September 30, 2009, as authorized by section 108 of the Housing and Community Development Act of 1974 (42 U.S.C. 5308): *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$205,000,000, notwithstanding any aggregate limitation on outstanding obligations guaranteed in section 108(k) of the Housing and Community Development Act of 1974, as amended.] (*Department of Housing and Urban Development Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 86-0198-0-1-451	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.02 Community development loan guarantee credit subsidy .....	4	5	
00.07 Upward Reestimate of Loan Guarantee .....	7	3	
00.08 Interest on reestimate .....	1	1	
10.00 Total new obligations .....	12	9	
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	1		
22.00 New budget authority (gross) .....	11	9	
23.90 Total budgetary resources available for obligation .....	12	9	
23.95 Total new obligations .....	-12	-9	
24.40 Unobligated balance carried forward, end of year .....			
<b>New budget authority (gross), detail:</b>			
<b>Discretionary:</b>			
40.00 Appropriation .....	4	5	
41.00 Transferred to other accounts .....	-1		
43.00 Appropriation (total discretionary) .....	3	5	
<b>Mandatory:</b>			
60.00 Appropriation .....	8	4	
70.00 Total new budget authority (gross) .....	11	9	
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	13	15	15
73.10 Total new obligations .....	12	9	
73.20 Total outlays (gross) .....	-9	-9	-6
73.40 Adjustments in expired accounts (net) .....	-1		
74.40 Obligated balance, end of year .....	15	15	9
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....		1	

86.93 Outlays from discretionary balances .....	1	4	6
86.97 Outlays from new mandatory authority .....	8	4	
87.00 Total outlays (gross) .....	9	9	6

**Net budget authority and outlays:**

89.00 Budget authority .....	11	9	
90.00 Outlays .....	9	9	6

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

Identification code 86-0198-0-1-451	2007 actual	2008 est.	2009 est.
<b>Guaranteed loan levels supportable by subsidy budget authority:</b>			
215001 Community development loan guarantee levels .....	201	200	
215999 Total loan guarantee levels .....	201	200	
<b>Guaranteed loan subsidy (in percent):</b>			
232001 Community development loan guarantee levels .....	2.17	2.25	0.00
232999 Weighted average subsidy rate .....	2.17	2.25	0.00
<b>Guaranteed loan subsidy budget authority:</b>			
233001 Community development loan guarantee levels .....	4	5	
233999 Total subsidy budget authority .....	4	5	
<b>Guaranteed loan subsidy outlays:</b>			
234001 Community development loan guarantee levels .....	1	5	6
234999 Total subsidy outlays .....	1	5	6
<b>Guaranteed loan upward reestimates:</b>			
235001 Community development loan guarantee levels .....	8	4	
235999 Total upward reestimate budget authority .....	8	4	
<b>Guaranteed loan downward reestimates:</b>			
237001 Community development loan guarantee levels .....	-5	-3	
237999 Total downward reestimate subsidy budget authority .....	-5	-3	

The 2009 Budget requests no funding for the Community Development Loan Guarantee program (Section 108). The program activities, such as economic development projects and affordable housing construction, can be funded with Community Development Block Grant (CDBG) funds and/or other private financing options. As a part of the broader CDBG and federal economic development program reforms, the program is proposed to be terminated. The 2007 Program Assessment Rating Tool (PART) found that the program was "Results not Demonstrated."

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

**Object Classification (in millions of dollars)**

Identification code 86-0198-0-1-451	2007 actual	2008 est.	2009 est.
<b>Direct obligations:</b>			
12.1 Civilian personnel benefits .....	1		
33.0 Investments and loans .....	10	8	
43.0 Interest and dividends .....	1	1	
99.9 Total new obligations .....	12	9	

COMMUNITY DEVELOPMENT LOAN GUARANTEES FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4096-0-3-451	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
08.02 Payment of Downward Reestimate to Receipt Account .....	3	2	
08.04 Payment of Downward Reestimate to Receipt Account (Interest) .....	2	1	

10.00	Total new obligations .....	5	3	.....
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year	91	102	112
22.00	New financing authority (gross) .....	16	13	10
23.90	Total budgetary resources available for obligation	107	115	122
23.95	Total new obligations .....	-5	-3	.....
24.40	Unobligated balance carried forward, end of year	102	112	122
<b>New financing authority (gross), detail:</b>				
Mandatory:				
Spending authority from offsetting collections:				
69.00	Offsetting collections (cash) .....	14	13	10
69.10	Change in uncollected customer payments from Federal sources (unexpired) .....	2	.....	.....
69.90	Spending authority from offsetting collections (total mandatory) .....	16	13	10
<b>Change in obligated balances:</b>				
72.40	Obligated balance, start of year .....	-13	-15	-12
73.10	Total new obligations .....	5	3	.....
73.20	Total financing disbursements (gross) .....	-5	.....	.....
74.00	Change in uncollected customer payments from Federal sources (unexpired) .....	-2	.....	.....
74.40	Obligated balance, end of year .....	-15	-12	-12
<b>Outlays (gross), detail:</b>				
87.00	Total financing disbursements (gross) .....	5	.....	.....
<b>Offsets:</b>				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Federal Sources: Payments from Program Account .....	-9	-9	-6
88.25	Interest on uninvested funds .....	-5	-4	-4
88.90	Total, offsetting collections (cash) .....	-14	-13	-10
Against gross financing authority only:				
88.95	Change in receivables from program accounts .....	-2	.....	.....
<b>Net financing authority and financing disbursements:</b>				
89.00	Financing authority .....	.....	.....	.....
90.00	Financing disbursements .....	-9	-13	-10

**Status of Guaranteed Loans (in millions of dollars)**

Identification code 86-4096-0-3-451	2007 actual	2008 est.	2009 est.	
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders .....	131	200	.....
2121	Limitation available from carry-forward .....	74	3	3
2142	Uncommitted loan guarantee limitation .....	-1	.....	.....
2143	Uncommitted limitation carried forward .....	-3	-3	-3
2150	Total guaranteed loan commitments .....	201	200	.....
2199	Guaranteed amount of guaranteed loan commitments	201	200	.....
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year .....	2,386	2,275	2,225
2231	Disbursements of new guaranteed loans .....	76	100	75
2251	Repayments and prepayments .....	-187	-150	-125
2290	Outstanding, end of year .....	2,275	2,225	2,175
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	2,275	2,225	2,175

**Guaranteed Loans.** The Community Development Loan Guarantee program (Section 108) has provided a mechanism for the Federal guarantee of private loans. The financing account shows the status of privately financed guaranteed loan commitments made in and after 1992. No funding is requested for new section 108 loans in 2009. An accompanying liquidating account shows activity for Federal Financing Bank (FFB) direct loan activity obligated prior to July 1, 1986, and any pre-1992 loan guarantee activity.

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

**Balance Sheet (in millions of dollars)**

Identification code 86-4096-0-3-451	2006 actual	2007 actual	
<b>ASSETS:</b>			
1101	Federal assets: Fund balances with Treasury .....	77	87
1999	Total assets .....	77	87
<b>LIABILITIES:</b>			
2204	Non-Federal liabilities: Liabilities for loan guarantees .....	77	87
2999	Total liabilities .....	77	87
4999	Total liabilities and net position .....	77	87

**COMMUNITY DEVELOPMENT LOAN GUARANTEES LIQUIDATING ACCOUNT**

**Program and Financing (in millions of dollars)**

Identification code 86-4097-0-3-451	2007 actual	2008 est.	2009 est.	
<b>Budgetary resources available for obligation:</b>				
24.40	Unobligated balance carried forward, end of year .....	.....	.....	
<b>Change in obligated balances:</b>				
72.40	Obligated balance, start of year .....	-4	-4	-4
74.40	Obligated balance, end of year .....	-4	-4	-4
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	.....	.....	
90.00	Outlays .....	.....	.....	

**Status of Guaranteed Loans (in millions of dollars)**

Identification code 86-4097-0-3-451	2007 actual	2008 est.	2009 est.	
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year .....	39	30	28
2251	Repayments and prepayments .....	-9	-2	-2
2290	Outstanding, end of year .....	30	28	26
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	30	28	26

**Guaranteed Loans.** Guaranteed loan assistance under the Community Development Loan Guarantee (Section 108) program is 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. Until 1986, the Federal Financing Board (FFB) in the Department of Treasury financed these guaranteed loans. The Consolidated Omnibus Budget Reconciliation Act of 1985 required private financing of all loan guarantees committed after July 1, 1986. The FFB will continue disbursing loans for commitments approved prior to July 1, 1986. The activity shown in the above account reflects privately financed guaranteed loans for which commitments were made prior to 1992.

As required by the Federal Credit Reform Act of 1990, this liquidating account records all cash flows to and from the Government resulting from Federal Financing Bank (FFB)

COMMUNITY DEVELOPMENT LOAN GUARANTEES LIQUIDATING  
ACCOUNT—Continued

direct loans for which loan guarantees were committed prior to 1992. This account is shown on a cash basis.

Balance Sheet (in millions of dollars)

Identification code 86-4097-0-3-451	2006 actual	2007 actual
<b>ASSETS:</b>		
Federal assets:		
1101 Fund balances with Treasury .....	-4	-4
1106 Investments in US securities:		
1106 Receivables, net .....	4	4
1999 Total assets .....		

HOUSING PROGRAMS

Federal Funds

HOUSING FOR THE ELDERLY

(INCLUDING TRANSFER OF FUNDS)

For capital advances, including amendments to capital advance contracts, for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance for the elderly under section 202(c)(2) of such Act, including amendments to contracts for such assistance and renewal of expiring contracts for such assistance for up to a 1-year term, and for supportive services associated with the housing, **[\$735,000,000]** \$540,000,000, to remain available until September 30, **[2011]** 2012, of which up to **[\$628,850,000]** \$339,000,000 shall be for capital advance and project-based rental assistance awards, including up to \$15,000,000 for a demonstration program that leverages project awards with other sources of development financing, such as tax credits, to expand housing assistance: *Provided*, That, of the amount provided under this heading, up to **[\$60,000,000]** \$80,000,000 shall be for service coordinators and the continuation of existing congregate service grants for residents of assisted housing projects, and of which up to **[\$24,750,000]** \$25,000,000 shall be for grants under section 202b of the Housing Act of 1959 (12 U.S.C. 1701q-2) for conversion of eligible projects under such section to assisted living or related use and for emergency capital repairs as determined by the Secretary: *Provided further*, That of the amount made available under this heading, \$20,000,000 shall be available to the Secretary of Housing and Urban Development only for making competitive grants to private 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 \$2,000,000 of the total amount made available under this heading shall be for technical assistance to improve grant applications and to facilitate the development of housing for the elderly under section 202 of the Housing Act of 1959, and supportive housing for persons with disabilities under section 811 of the Cranston-Gonzales National Affordable housing Act: *Provided further*, That [not to exceed \$1,400,000] of the total amount made available under this heading [may], at least \$1,600,000 shall, and up to \$2,000,000 may, be transferred to the Working Capital Fund: *Provided further*, That the Secretary may waive the provisions of section 202 governing the terms and conditions of project rental assistance, except that the initial contract term for such assistance shall not exceed 5 years in duration. (*Department of Housing and Urban Development Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 86-0320-0-1-604	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Expansion .....	598	636	633
00.02 Rental assistance renewal and operating expenses .....	152	159	158
10.00 Total new obligations (object class 41.0) .....	750	795	791

<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	835	825	764
22.00 New budget authority (gross) .....	735	734	538
22.10 Resources available from recoveries of prior year obligations .....	5		
23.90 Total budgetary resources available for obligation .....	1,575	1,559	1,302
23.95 Total new obligations .....	-750	-795	-791
24.40 Unobligated balance carried forward, end of year .....	825	764	511

<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	735	735	540
41.00 Transferred to other accounts .....		-1	-2
43.00 Appropriation (total discretionary) .....	735	734	538

<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	4,211	3,971	3,841
73.10 Total new obligations .....	750	795	791
73.20 Total outlays (gross) .....	-978	-925	-900
73.40 Adjustments in expired accounts (net) .....	-7		
73.45 Recoveries of prior year obligations .....	-5		
74.40 Obligated balance, end of year .....	3,971	3,841	3,732

<b>Outlays (gross), detail:</b>			
86.93 Outlays from discretionary balances .....	978	925	900

<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	735	734	538
90.00 Outlays .....	978	925	900

This account consolidates all activities under the Section 202 Housing for the Elderly Program, including capital grants for construction of new low-income housing units, project rental assistance contracts (PRAC), conversion of existing properties to assisted living, and service coordinators. The program funds the following: the construction of new units via capital advance grants to nonprofit owners, provided that the owner reserves the units for very low-income elderly individuals for no less than 40 years; project rental assistance contracts to fund the difference between a HUD-approved, per-unit operating cost and 30 percent of the tenant's adjusted income; a grant program funding service coordinators who work on-site to help the project's residents obtain critical services; assistance for converting elderly housing units to assisted living facilities under a stand-alone grant program.

The account is displayed as two general activities—"Expansion" and "Rental Assistance Renewal and Operating Expenses"—to provide information on programmatic functions and resource usage. Expansion funds include capital grants for new unit construction and project rental assistance provided for an initial period to each new project, while Rental Assistance Renewal and Operating Expenses cover costs associated with existing units and other expenses. Up to \$15 million of 2009 Expansion funds may be used for a demonstration project that leverages additional capital from various sources—such as private investors through tax credits—to support the construction of additional elderly housing units.

The 2009 Budget expands the number of housing units assisted by this program by providing \$339 million to construct approximately 2,400 new units of housing. In addition, all housing previously supported will continue to receive operating subsidies. Finally, congregate services and other supportive social services for residents, such as benefit counseling, will receive \$80 million, and upgrades of developments to assisted living facilities are funded at \$25 million.

HOUSING FOR THE ELDERLY

	2007 actual	2008 est.	2009 est.
Units eligible for payment .....	92,788	97,030	101,272



HOUSING FOR PERSONS WITH DISABILITIES  
(INCLUDING TRANSFER OF FUNDS)

For capital advance contracts, including amendments to capital advance contracts, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013), for project rental assistance for supportive housing for persons with disabilities under section 811(d)(2) of such Act, including amendments to contracts for such assistance and renewal of expiring contracts for such assistance for up to a 1-year term, and for supportive services associated with the housing for persons with disabilities as authorized by section 811(b)(1) of such Act, and for tenant-based rental assistance contracts entered into pursuant to section 811 of such Act, **[\$237,000,000]** \$160,000,000, to remain available until September 30, **[2011]** 2012: *Provided*, That **[not to exceed \$600,000 may]** of the total amount made available under this heading, at least \$1,600,000 shall, and up to \$2,000,000 may, be transferred to the Working Capital Fund: *Provided further*, That up to \$42,000,000 of the amount made available under this heading shall be for additional housing assistance under section 811(b)(2) of such Act, including up to \$10,000,000 for a demonstration program that leverages project awards with other sources of development financing, such as tax credit incentives, to expand housing assistance: *Provided further*, That, of the amount provided under this heading, **[\$74,745,000]** \$87,100,000 shall be for amendments or renewal of tenant-based assistance contracts entered into prior to fiscal year 2005 (only one amendment authorized for any such contract): *Provided further*, That all tenant-based assistance made available under this heading shall continue to remain available only to persons with disabilities: *Provided further*, 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, 2008.*)

Program and Financing (in millions of dollars)			
Identification code 86-0237-0-1-604	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Expansion .....	155	207	190
00.02 Rental assistance renewal and operating expenses .....	92	52	47
10.00 Total new obligations (object class 41.0) .....	247	259	237
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	230	224	201
22.00 New budget authority (gross) .....	237	236	158
22.10 Resources available from recoveries of prior year obligations .....	4		
23.90 Total budgetary resources available for obligation .....	471	460	359
23.95 Total new obligations .....	-247	-259	-237
24.40 Unobligated balance carried forward, end of year .....	224	201	122
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	237	237	160
41.00 Transferred to other accounts .....		-1	-2
43.00 Appropriation (total discretionary) .....	237	236	158
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	1,171	1,102	1,060
73.10 Total new obligations .....	247	259	237
73.20 Total outlays (gross) .....	-305	-301	-285
73.40 Adjustments in expired accounts (net) .....	-7		
73.45 Recoveries of prior year obligations .....	-4		
74.40 Obligated balance, end of year .....	1,102	1,060	1,012
<b>Outlays (gross), detail:</b>			
86.93 Outlays from discretionary balances .....	305	301	285
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	237	236	158
90.00 Outlays .....	305	301	285

This account consolidates all activities funded under section 811, Housing for Persons With Disabilities program, including capital grants for the construction of new units, project rental assistance contracts (PRAC), vouchers for persons with disabilities, and cost amendments as needed. The program funds: the construction of new units via capital advance grants to nonprofit owners, provided that the owner reserves the units for very low-income persons with disabilities for no less than 40 years; project rental assistance contracts to fund the difference between a HUD-approved, per-unit operating cost—which may include certain services—and (usually) 30 percent of the tenant's adjusted income; annual costs associated with renewing "main stream" vouchers reserved for persons with disabilities, which are administered by the Office of Public and Indian Housing.

The account is displayed as two general obligation activities—"Expansion" and "Rental Assistance Renewal and Operating Expenses"—to provide better information on programmatic functions and resource usage. Expansion funds include capital grants for new housing unit construction and project rental assistance provided for an initial period (usually 3 years) to each new project, while Rental Assistance Renewal and Operating Expenses cover costs associated with existing units and other expenses. Up to \$10 million of 2009 Expansion funds may be used for a demonstration project that leverages additional capital from various sources—such as private investors through tax credits—to support the construction of additional disabled housing units.

HOUSING FOR PERSONS WITH DISABILITIES			
	2007 actual	2008 est.	2009 est.
Units eligible for payment .....	23,926	24,989	26,052

**HOUSING COUNSELING ASSISTANCE**

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

Program and Financing (in millions of dollars)			
Identification code 86-0156-0-1-604	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Housing Assistance .....			7
10.00 Total new obligations (object class 41.0) .....			7
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....			65
23.95 Total new obligations .....			-7
24.40 Unobligated balance carried forward, end of year .....			58
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....			65
<b>Change in obligated balances:</b>			
73.10 Total new obligations .....			7
73.20 Total outlays (gross) .....			-7
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....			7
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			65

HOUSING COUNSELING ASSISTANCE—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 86-0156-0-1-604	2007 actual	2008 est.	2009 est.
90.00 Outlays .....			7

The Housing Counseling Assistance Program provides comprehensive housing counseling services to eligible homeowners and tenants through grants to nonprofit intermediaries, state governmental entities, and other agencies with presences ranging from local to national, as well as teaming up with such partners to provide technical assistance and training. Eligible counseling activities include pre- and post-purchase education, personal financial management, reverse mortgage product education, foreclosure prevention/mitigation, and rental counseling. As such, the Housing Counseling Assistance Program supports the delivery of a wide variety of housing counseling services to homebuyers, homeowners, low- to moderate-income renters, elderly citizens, and the homeless. The program impacts numerous HUD programs and Presidential priorities, including the Administration's current foreclosure mitigation efforts, and provides a key short- and long-term solution to the far-reaching home finance difficulties currently facing the country. The primary objectives of the program are to expand homeownership opportunities, improve access to affordable housing, increase financial literacy, and aid in HUD's commitment to bridging the minority homeownership gap. Additionally, the program supports individuals with FHA-insured loans, supporting the overall soundness of the portfolio to the American taxpayer's benefit.

This program has been funded through a set-aside under the HOME program appropriation for the past several years. However, in 2009, it is again being proposed as a separate account. The increasing social importance and cross-Departmental relevance of the program suggest an unprecedented need for an independently-appropriated, self-sufficient program. In addition, authority is proposed to make available up to \$2,000,000 for administrative support necessary to improve the management of the housing counseling program and enable the program to respond more nimbly to ever-evolving needs.

OTHER ASSISTED HOUSING PROGRAMS

【RENTAL HOUSING ASSISTANCE】

For amendments to contracts under section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s) and section 236(f)(2) of the National Housing Act (12 U.S.C. 1715z-1) in State-aided, non-insured rental housing projects, \$27,600,000, to remain available until expended. (*Department of Housing and Urban Development Appropriations Act, 2008.*)

【RENT SUPPLEMENT】

【(RESCISSION)】 (CANCELLATION)

Of the amounts 【made available under the heading "Rent Supplement" in Public Law 98-63 for amendments to】 *recaptured from terminated* 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, \$37,600,000 are rescinded】, \$27,600,000 is permanently cancelled. (*Department of Housing and Urban Development Appropriations Act, 2008.*)

Program and Financing (in millions of dollars)

Identification code 86-0206-0-1-999	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Rent supplement .....	3	8	8
00.02 Homeownership and rental housing assistance (Sections 235 and 236) .....	9	20	20

10.00	Total new obligations (object class 41.0) .....	12	28	28
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year .....	971	772	772
22.00	New budget authority (gross) .....	26	-10	
22.10	Resources available from recoveries of prior year obligations .....	282	38	28
22.75	Balance of contract authority withdrawn .....	-164		
22.75	Balance of contract authority withdrawn .....	-331		
23.90	Total budgetary resources available for obligation .....	784	800	800
23.95	Total new obligations .....	-12	-28	-28
24.40	Unobligated balance carried forward, end of year .....	772	772	772
<b>New budget authority (gross), detail:</b>				
Discretionary:				
40.00	Appropriation .....	26	28	28
40.36	Unobligated balance permanently reduced .....		-38	-28
43.00	Appropriation (total discretionary) .....	26	-10	
Mandatory:				
60.00	Appropriation .....	444	578	578
60.49	Portion applied to liquidate contract authority .....	-444	-578	-578
62.50	Appropriation (total mandatory) .....			
70.00	Total new budget authority (gross) .....	26	-10	
<b>Change in obligated balances:</b>				
72.40	Obligated balance, start of year .....	5,834	4,999	4,454
73.10	Total new obligations .....	12	28	28
73.20	Total outlays (gross) .....	-565	-535	-517
73.45	Recoveries of prior year obligations .....	-282	-38	-28
74.40	Obligated balance, end of year .....	4,999	4,454	3,937
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....	16	-6	
86.93	Outlays from discretionary balances .....	549	541	517
87.00	Total outlays (gross) .....	565	535	517
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	26	-10	
90.00	Outlays .....	565	535	517
<b>Memorandum (non-add) entries:</b>				
93.01	Unobligated balance, start of year: Contract authority .....	891	687	772
93.02	Unobligated balance, end of year: Contract authority .....	687	772	772
93.03	Obligated balance, start of year: Contract authority .....	4,963	4,274	4,453
93.04	Obligated balance, end of year: Contract authority .....	4,274	4,453	3,928

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 15,041 units as of September 30, 2007, 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.

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

The table below provides a summary of outlays by program.

**SUMMARY OF OUTLAYS**

(in millions of dollars)

	2007 actual	2008 est.	2009 est.
Total .....	565	535	517
Rent supplement .....	47	45	43
Homeownership assistance (Section 235) .....	4	4	3
Rental housing assistance (Section 236) .....	508	480	465
College housing grants .....	6	6	6

**HOMEOWNERSHIP AND OPPORTUNITY FOR PEOPLE EVERYWHERE  
GRANTS (HOPE GRANTS)**

**Program and Financing (in millions of dollars)**

Identification code 86-0196-0-1-604	2007 actual	2008 est.	2009 est.
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	- 1		
22.10 Resources available from recoveries of prior year obligations .....	1		
23.90 Total budgetary resources available for obligation .....			
24.40 Unobligated balance carried forward, end of year .....			
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.36 Unobligated balance permanently reduced .....	- 1		
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	7	6	6
73.45 Recoveries of prior year obligations .....	- 1		
74.40 Obligated balance, end of year .....	6	6	6
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	- 1		
90.00 Outlays .....			

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

**PAYMENT TO MANUFACTURED HOUSING FEES TRUST FUND**

For necessary expenses as authorized by the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.), up to \$16,000,000, to remain available until expended, of which \$10,600,000 is to be derived from the Manufactured Housing Fees Trust Fund: *Provided*, That not to exceed the total amount appropriated under this heading shall be available from the general fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund pursuant to section 620 of such Act: *Provided further*, That the amount made available under this heading from the general fund shall be reduced as such collections are received during fiscal year [2008] 2009 so as to result in a final fiscal year [2008] 2009 appropriation from the general fund estimated at not more than [\$0] \$5,400,000 and fees pursuant to such section 620 shall be modified as necessary to ensure such a final fiscal year [2008] 2009 appropriation: *Provided further*, That for the dispute resolution and installation programs, the Secretary of Housing and Urban Develop-

ment may assess and collect fees from any program participant: *Provided further*, That such collections shall be deposited into the Fund, and the Secretary, as provided herein, may use such collections, as well as fees collected under section 620, for necessary expenses of such Act: *Provided further*, That notwithstanding the requirements of section 620 of such Act, the Secretary may carry out responsibilities of the Secretary under such Act through the use of approved service providers that are paid directly by the recipients of their services. (*Department of Housing and Urban Development Appropriations Act, 2008.*)

**Program and Financing (in millions of dollars)**

Identification code 86-0234-0-1-376	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Payment to Trust Fund .....			5
10.00 Total new obligations (object class 94.0) .....			5
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	20	26	
22.00 New budget authority (gross) .....	6		5
23.90 Total budgetary resources available for obligation .....	26	26	5
23.95 Total new obligations .....			- 5
23.98 Unobligated balance expiring or withdrawn .....		- 26	
24.40 Unobligated balance carried forward, end of year .....	26		
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	6		5
<b>Change in obligated balances:</b>			
73.10 Total new obligations .....			5
73.20 Total outlays (gross) .....			- 5
74.40 Obligated balance, end of year .....			
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....			5
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	6		5
90.00 Outlays .....			5

**INTERSTATE LAND SALES**

**Special and Trust Fund Receipts (in millions of dollars)**

Identification code 86-5270-0-2-376	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year .....			
01.99 Balance, start of year .....			
Receipts:			
02.60 Interstate Land Sales Fund .....	1	1	1
04.00 Total: Balances and collections .....	1	1	1
Appropriations:			
05.00 Interstate Land Sales .....	- 1	- 1	- 1
07.99 Balance, end of year .....			

**Program and Financing (in millions of dollars)**

Identification code 86-5270-0-2-376	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Transfer to salaries and expenses .....	1	1	1
10.00 Total new obligations (object class 25.2) .....	1	1	1
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	1	1	1
23.95 Total new obligations .....	- 1	- 1	- 1
<b>New budget authority (gross), detail:</b>			
Mandatory:			
60.20 Appropriation (special fund) .....	1	1	1

## INTERSTATE LAND SALES—Continued

## Program and Financing (in millions of dollars)—Continued

Identification code 86-5270-0-2-376	2007 actual	2008 est.	2009 est.
<b>Change in obligated balances:</b>			
73.10 Total new obligations .....	1	1	1
73.20 Total outlays (gross) .....	-1	-1	-1
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority .....	1	1	1
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	1	1	1
90.00 Outlays .....	1	1	1

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

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

## RENTAL HOUSING ASSISTANCE FUND

## Program and Financing (in millions of dollars)

Identification code 86-4041-0-3-604	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
09.01 Transfer to HUD's Flexible Subsidy Fund .....		8	4
10.00 Total new obligations (object class 94.0) .....		8	4
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	4	8	4
22.00 New budget authority (gross) .....	4	4	4
23.90 Total budgetary resources available for obligation	8	12	8
23.95 Total new obligations .....		-8	-4
24.40 Unobligated balance carried forward, end of year	8	4	4
<b>New budget authority (gross), detail:</b>			
Mandatory:			
69.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	4	4	4
<b>Change in obligated balances:</b>			
73.10 Total new obligations .....		8	4
73.20 Total outlays (gross) .....		-8	-4
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority .....		4	4
86.98 Outlays from mandatory balances .....		4	
87.00 Total outlays (gross) .....		8	4
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources .....	-4	-4	-4
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			
90.00 Outlays .....	-4	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 appro-

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

## 【FLEXIBLE SUBSIDY FUND】

## 【(TRANSFER OF FUNDS)】

【From the Rental Housing Assistance Fund, all uncommitted balances of excess rental charges as of September 30, 2007, and any collections made during fiscal year 2008 and all subsequent fiscal years, shall be transferred to the Flexible Subsidy Fund, as authorized by section 236(g) of the National Housing Act.】 (*Department of Housing and Urban Development Appropriations Act, 2008.*)

## Program and Financing (in millions of dollars)

Identification code 86-4044-0-3-604	2007 actual	2008 est.	2009 est.
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	42	65	96
22.00 New budget authority (gross) .....	23	31	27
23.90 Total budgetary resources available for obligation	65	96	123
24.40 Unobligated balance carried forward, end of year	65	96	123
<b>New budget authority (gross), detail:</b>			
Discretionary:			
58.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	23	31	27
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	1	1	1
74.40 Obligated balance, end of year .....	1	1	1
<b>Offsets:</b>			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources .....		-8	-4
88.40 Non-Federal sources .....	-23	-23	-23
88.90 Total, offsetting collections (cash) .....	-23	-31	-27
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			
90.00 Outlays .....	-23	-31	-27

## Status of Direct Loans (in millions of dollars)

Identification code 86-4044-0-3-604	2007 actual	2008 est.	2009 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	669	649	629
1251 Repayments: Repayments and prepayments .....	-20	-20	-20
1290 Outstanding, end of year .....	649	629	609

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

**Balance Sheet** (in millions of dollars)

Identification code 86-4044-0-3-604	2006 actual	2007 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	43	66
1601 Direct loans, gross .....	670	649
1602 Interest receivable .....	95	100
1603 Allowance for estimated uncollectible loans and interest (-) .....	-567	-558
1699 Value of assets related to direct loans .....	198	191
1999 Total assets .....	241	257
<b>LIABILITIES:</b>		
2207 Non-Federal liabilities: Other .....	4	1
2999 Total liabilities .....	4	1
<b>NET POSITION:</b>		
3100 Appropriated capital .....	-376	-376
3300 Cumulative results of operations .....	613	632
3999 Total net position .....	237	256
4999 Total liabilities and net position .....	241	257

**NEHEMIAH HOUSING OPPORTUNITY FUND**

**Program and Financing** (in millions of dollars)

Identification code 86-4071-0-3-604	2007 actual	2008 est.	2009 est.
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	1	8	8
22.00 New budget authority (gross) .....	1		
22.10 Resources available from recoveries of prior year obligations .....	6		
23.90 Total budgetary resources available for obligation .....	8	8	8
24.40 Unobligated balance carried forward, end of year .....	8	8	8
<b>New budget authority (gross), detail:</b>			
Discretionary:			
58.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	1		
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	10	4	4
73.45 Recoveries of prior year obligations .....	-6		
74.40 Obligated balance, end of year .....	4	4	4
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources .....	-1		
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			
90.00 Outlays .....	-1		

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

**FEDERAL HOUSING ADMINISTRATION**

**MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT**

(INCLUDING TRANSFERS OF FUNDS)

During fiscal year [2008] 2009, commitments to guarantee [loans to carry out the purposes of section 203(b) of the National Housing Act, as amended,]single family loans insured under the Mutual Mortgage Insurance Fund shall not exceed a loan principal of \$185,000,000,000.

During fiscal year [2008] 2009, 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 contract expenses, [\$77,400,000] \$116,000,000, of which [not to exceed \$25,550,000] at least \$46,794,000 shall, and up to \$58,492,500 may, be transferred to the Working Capital Fund, and of which up to [\$5,000,000] \$10,000,000 shall be for education and outreach of FHA single family loan products, including printing costs: *Provided*, That to the extent guaranteed loan commitments exceed \$65,500,000,000 on or before April 1, [2008] 2009, 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, 2008.*)

**Program and Financing** (in millions of dollars)

Identification code 86-0183-0-1-371	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.07 Reestimates of loan guarantee subsidy—upward re-estimate .....	1,148	3,925	
00.08 Interest on reestimates of loan guarantee subsidy .....	203	630	
00.12 Non-overhead administrative expenses for FHA contracts .....	39	52	69
10.00 Total new obligations .....	1,390	4,607	69
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	45	51	69
22.22 Unobligated balance transferred from other accounts .....	1,350	4,555	
23.90 Total budgetary resources available for obligation .....	1,395	4,606	69
23.95 Total new obligations .....	-1,390	-4,607	-69
23.98 Unobligated balance expiring or withdrawn .....	-5		
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	414	77	116
41.00 Transferred to other accounts .....	-369	-26	-47
43.00 Appropriation (total discretionary) .....	45	51	69
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	82	72	72
73.10 Total new obligations .....	1,390	4,607	69
73.20 Total outlays (gross) .....	-1,384	-4,607	-69
73.40 Adjustments in expired accounts (net) .....	-16		
74.40 Obligated balance, end of year .....	72	72	72
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	3	43	58
86.93 Outlays from discretionary balances .....	31	9	11
86.98 Outlays from mandatory balances .....	1,350	4,555	
87.00 Total outlays (gross) .....	1,384	4,607	69
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	45	51	69
90.00 Outlays .....	1,384	4,607	69

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

Identification code 86-0183-0-1-371	2007 actual	2008 est.	2009 est.
<b>Direct loan levels supportable by subsidy budget authority:</b>			
115001 MMI Fund, Direct loans .....	3	50	50
115999 Total direct loan levels .....	3	50	50
<b>Direct loan subsidy (in percent):</b>			
132001 MMI Fund, Direct loans .....	0.00	0.00	0.00
132999 Weighted average subsidy rate .....	0.00	0.00	0.00
<b>Guaranteed loan levels supportable by subsidy budget authority:</b>			
215002 MMI Fund .....	56,519	72,172	80,277
215999 Total loan guarantee levels .....	56,519	72,172	80,277
<b>Guaranteed loan subsidy (in percent):</b>			

MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT—Continued  
(INCLUDING TRANSFERS OF FUNDS)—Continued

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

Identification code 86-0183-0-1-371	2007 actual	2008 est.	2009 est.
232002 MMI Fund .....	-0.37	-0.51	-0.01
232007 MMI Seller Financed Down Payment Assistance .....	0.00	0.00	6.35
232999 Weighted average subsidy rate .....	-0.37	-0.51	-0.01
Guaranteed loan subsidy budget authority:			
233002 MMI Fund .....	-209	-368	-8
233999 Total subsidy budget authority .....	-209	-368	-8
Guaranteed loan subsidy outlays:			
234002 MMI Fund .....	-209	-368	-8
234999 Total subsidy outlays .....	-209	-368	-8
Guaranteed loan upward reestimates:			
235002 MMI Fund .....	1,350	4,555	
235999 Total upward reestimate budget authority .....	1,350	4,555	
Guaranteed loan downward reestimates:			
237002 MMI Fund .....	-554	-5	
237999 Total downward reestimate subsidy budget authority .....	-554	-5	
Administrative expense data:			
3510 Budget authority .....	1,390	44	69
3580 Outlays from balances .....	31	7	11
3590 Outlays from new authority .....	3	37	58

The Federal Housing Administration (FHA) provides mortgage insurance to encourage lenders to make credit available to borrowers for which the conventional market does not adequately serve. These include first-time homebuyers, minorities, lower-income families, and residents of underserved areas (central cities and rural areas).

In 2009, FHA is requesting an aggregate limitation of \$185 billion on loan guarantees for the Mutual Mortgage Insurance (MMI) fund and is proposing legislative changes to reform FHA.

In 2002, the President issued America's Homeownership Challenge to increase first-time minority homeowners by 5.5 million through 2010. The Budget continues Administration efforts to modernize FHA with proposals for new mortgage products targeted toward families who face the obstacles of having poor credit histories or little savings. These new mortgages will have risk-based premiums tied to credit scores and the size of downpayments. This will result in more families having access to mortgage financing and will reward families with lower mortgage payments for having good credit histories and saving more for downpayments. The Budget also proposes to increase the FHA single-family national loan limit ceiling from 87 percent to 100 percent of the conforming loan limit of \$417,000.

Because of deteriorating market conditions, as well as adverse loan performance and improved estimation techniques, the baseline credit subsidy rate for FHA's single family program—assuming no programmatic changes—is positive, meaning that total costs exceed receipts on a present value basis, and therefore would require appropriations of credit subsidy budget authority or premium increases to continue operation. Under the Budget's policy proposals, FHA will be able to set premiums that are based on risk and are sufficient to avoid the need for credit subsidy appropriations. Barring the authority to establish risk-based premiums, however, FHA will use its existing authority to raise the upfront premiums on most borrowers up to maximums of 1.95 percent (purchase) and 1.75 percent (re-finance) and the annual premium to a maximum of 0.52 percent (purchase) in order to avoid a positive subsidy rate.

The Budget establishes a separate risk category for seller-financed downpayment assistance mortgages. Actuarial anal-

ysis has found that these loans are very costly, with default rates well in excess of other FHA single-family purchase mortgages. Placing seller-financed downpayment assistance loans in a separate program from other FHA single-family mortgages will prevent erosion of the credit quality in the general FHA single-family portfolio. Because of the high default rate for seller-financed downpayment assistance loans, the program has a positive subsidy rate and would require appropriations to operate in 2009, even if FHA were to charge the highest possible premiums rates allowable under current law. The Budget proposes no new loan guarantees under this program; it provides no funding for its credit subsidy costs.

The Budget also proposes that new loans for the Condominium, the Section 203(k) rehabilitation, and Home Equity Conversion programs come from the MMI fund in order to consolidate single-family programs in one fund; previously these loans were made under the General and Special Risk funds. Those single-family loans made prior to 2009 will remain under the General and Special Risk funds. The proposal includes the removal of the statutory cap on the number of Home Equity Conversion Mortgages insured by FHA. The effects of these proposals are illustrated in separate schedules published for the MMI and General and Special Risk funds.

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.

## Object Classification (in millions of dollars)

Identification code 86-0183-0-1-371	2007 actual	2008 est.	2009 est.
Direct obligations:			
25.2 Other services .....	39	52	69
41.0 Grants, subsidies, and contributions .....	1,148	3,925	
43.0 Interest and dividends .....	203	630	
99.9 Total new obligations .....	1,390	4,607	69

## FHA-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	2007 actual	2008 est.	2009 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215002 MMI Fund .....			30,059
215004 MMI HECM .....			40,944
215999 Total loan guarantee levels .....			71,003
Guaranteed loan subsidy (in percent):			
232002 MMI Fund .....			-0.16
232004 MMI HECM .....			-1.37
232999 Weighted average subsidy rate .....			-0.48
Guaranteed loan subsidy budget authority:			
233002 MMI Fund .....			-180
233004 MMI HECM .....			-561
233999 Total subsidy budget authority .....			-741
Guaranteed loan subsidy outlays:			
234002 MMI Fund .....			-180
234004 MMI HECM .....			-561
234999 Total subsidy outlays .....			-741

FHA-MUTUAL MORTGAGE INSURANCE DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4242-0-3-371	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Direct loans .....	3	50	50
00.02 Interest paid to Treasury .....		2	2
00.03 Claims & other .....	1	4	4
10.00 Total new obligations .....	4	56	56
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	5	5	5
22.00 New financing authority (gross) .....	6	105	105
22.60 Portion applied to repay debt .....	-2	-49	-49
23.90 Total budgetary resources available for obligation	9	61	61
23.95 Total new obligations .....	-4	-56	-56
24.40 Unobligated balance carried forward, end of year	5	5	5
<b>New financing authority (gross), detail:</b>			
Mandatory:			
67.10 Authority to borrow .....	2	50	50
69.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	4	55	55
70.00 Total new financing authority (gross) .....	6	105	105
<b>Change in obligated balances:</b>			
73.10 Total new obligations .....	4	56	56
73.20 Total financing disbursements (gross) .....	-4	-56	-56
74.40 Obligated balance, end of year .....			
<b>Outlays (gross), detail:</b>			
87.00 Total financing disbursements (gross) .....	4	56	56
<b>Offsets:</b>			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.25 Interest on uninvested funds .....		-1	-1
88.40 Non-Federal sources .....	-4	-50	-50
88.40 Repayment of interest .....		-4	-4
88.90 Total, offsetting collections (cash) .....	-4	-55	-55
<b>Net financing authority and financing disbursements:</b>			
89.00 Financing authority .....	2	50	50
90.00 Financing disbursements .....		1	1

Status of Direct Loans (in millions of dollars)

Identification code 86-4242-0-3-371	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans .....	50	50	50
1142 Unobligated direct loan limitation (-) .....	-47		
1150 Total direct loan obligations .....	3	50	50
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	6	1	1
1231 Disbursements: Direct loan disbursements .....	3	50	50
1251 Repayments: Repayments and prepayments .....	-2	-50	-50
1264 Write-offs for default: Other adjustments, net (+ or -) .....	-6		
1290 Outstanding, end of year .....	1	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 2009 direct loan limitation in the MMI Fund would permit the Department to use Purchase Money

Mortgages (PMMs) to help finance the sale of acquired single family properties. HUD would extend credit for these single-family homes to community nonprofit organizations or local government entities, which would be expected to sell the properties to low- and moderate-income buyers. The use of PMMs provides a tool for State and local nonprofit organizations to use in revitalizing communities, and creates enhanced homeownership opportunities for low- and moderate-income families.

Balance Sheet (in millions of dollars)

Identification code 86-4242-0-3-371	2006 actual	2007 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	5	5
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross .....	1	1
1405 Allowance for subsidy cost (-) .....	-3	-3
1499 Net present value of assets related to direct loans .....	-2	-2
1999 Total assets .....	3	3
<b>LIABILITIES:</b>		
2103 Federal liabilities: Federal Liabilities—Debt .....	3	3
2999 Total liabilities .....	3	3
4999 Total liabilities and net position .....	3	3

FHA-MUTUAL MORTGAGE INSURANCE GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4587-0-0-371	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Loan guarantee default claim payments .....	5,119	8,388	9,844
00.02 Interest on Treasury Borrowing .....	263	91	169
00.03 Other capital investment & operating expenses .....	578	681	740
00.91 Subtotal, capital/operating expenses .....	5,960	9,160	10,753
08.01 Payment of negative subsidy to capital reserve for new business .....	209	368	8
08.02 Reestimate of loan guarantee subsidy (downward re-estimates) .....	512	2	
08.04 Interest on reestimates of loan guarantee subsidy	42	3	
08.05 Loan modification payment (negative subsidy) to capital reserve account 86-0236 .....	5		
08.91 Direct Program by Activities—Subtotal (1 level)	768	373	8
10.00 Total new obligations .....	6,728	9,533	10,761
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	4,313	2,988	7,030
22.00 New financing authority (gross) .....	7,217	14,575	10,648
22.10 Resources available from recoveries of prior year obligations .....	86		
22.60 Portion applied to repay debt .....	-1,900	-1,000	-1,000
23.90 Total budgetary resources available for obligation	9,716	16,563	16,678
23.95 Total new obligations .....	-6,728	-9,533	-10,761
24.40 Unobligated balance carried forward, end of year	2,988	7,030	5,917
<b>New financing authority (gross), detail:</b>			
Mandatory:			
67.10 Authority to borrow .....		1,000	1,000
Spending authority from offsetting collections:			
69.00 Offsetting collections .....	1,350	4,555	
69.00 Offsetting collections (cash) .....	5,866	9,020	9,648
69.10 Change in uncollected customer payments from Federal sources (unexpired) .....	1		
69.90 Spending authority from offsetting collections (total mandatory) .....	7,217	13,575	9,648
70.00 Total new financing authority (gross) .....	7,217	14,575	10,648
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	1,160	1,150	1,305



FHA-MUTUAL MORTGAGE INSURANCE GUARANTEED LOAN FINANCING  
ACCOUNT—Continued

## Program and Financing (in millions of dollars)—Continued

Identification code 86-4587-0-0-371	2007 actual	2008 est.	2009 est.
73.10 Total new obligations .....	6,728	9,533	10,761
73.20 Total financing disbursements (gross) .....	-6,651	-9,378	-11,025
73.45 Recoveries of prior year obligations .....	-86		
74.00 Change in uncollected customer payments from Federal sources (unexpired) .....	-1		
74.40 Obligated balance, end of year .....	1,150	1,305	1,041
<b>Outlays (gross), detail:</b>			
87.00 Total financing disbursements (gross) .....	6,651	9,378	11,025
<b>Offsets:</b>			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Transfer of Reestimates from reserves in Capital Reserve account .....	-1,350	-4,555	
88.25 Interest on uninvested funds .....	-308	-420	-522
88.40 Fees and premiums .....	-2,148	-2,535	-2,860
88.40 Recoveries on defaults .....	-3,410	-6,065	-6,266
88.90 Total, offsetting collections (cash) .....	-7,216	-13,575	-9,648
Against gross financing authority only:			
88.95 Change in receivables from program accounts .....	-1		
<b>Net financing authority and financing disbursements:</b>			
89.00 Financing authority .....		1,000	1,000
90.00 Financing disbursements .....	-565	-4,197	1,377

## Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4587-0-0-371	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders .....	185,000	185,000	185,000
2142 Uncommitted loan guarantee limitation .....	-128,481	-112,828	-104,723
2150 Total guaranteed loan commitments .....	56,519	72,172	80,277
2199 Guaranteed amount of guaranteed loan commitments .....	56,519	72,172	80,277
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	304,476	312,277	341,644
2231 Disbursements of new guaranteed loans .....	56,519	72,172	80,277
2251 Repayments and prepayments .....	-43,599	-30,231	-28,993
Adjustments:			
2261 Terminations for default that result in loans receivable .....		-82	-98
2262 Terminations for default that result in acquisition of property .....	-4,984	-8,186	-9,605
2263 Terminations for default that result in claim payments .....	-135	-120	-141
2264 Other adjustments, net .....		-4,186	-4,645
2290 Outstanding, end of year .....	312,277	341,644	378,439
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	312,277	341,644	378,439
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....	341	331	413
2331 Disbursements for guaranteed loan claims .....		82	98
2351 Repayments of loans receivable .....	-104		
2364 Other adjustments, net .....	94		
2390 Outstanding, end of year .....	331	413	511

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 86-4587-0-0-371	2006 actual	2007 actual
<b>ASSETS:</b>		
Federal assets:		
1101 Fund balances with Treasury .....	5,473	4,138
Investments in US securities:		
1106 Receivables, net .....	1,330	4,553
Non-Federal assets:		
1201 Investments in non-Federal securities, net .....	93	38
1206 Receivables, net .....	255	116
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1501 Defaulted guaranteed loans receivable, gross .....	341	331
1502 Interest receivable .....	1	-1
1504 Foreclosed property .....	2,539	2,710
1505 Allowance for subsidy cost .....	-1,257	-1,661
1599 Net value of assets related to defaulted guaranteed loan ..	1,624	1,379
1901 Other Federal assets: Other assets .....	481	28
1999 Total assets .....	9,256	10,252
<b>LIABILITIES:</b>		
Federal liabilities:		
2101 Accounts payable .....	576	5
2103 Federal liabilities, Debt .....	5,025	3,125
Non-Federal liabilities:		
2201 Accounts payable .....	613	161
2204 Liabilities for loan guarantees .....	2,828	6,902
2207 Other .....	214	59
2999 Total liabilities .....	9,256	10,252
4999 Total liabilities and net position .....	9,256	10,252

FHA-MUTUAL MORTGAGE INSURANCE GUARANTEED LOAN  
FINANCING ACCOUNT

(Legislative proposal, not subject to PAYGO)

## Program and Financing (in millions of dollars)

Identification code 86-4587-2-0-371	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Loan guarantee default claim payments .....			412
00.02 Interest on Treasury Borrowing .....			-1
00.03 Other capital investment & operating expenses .....			24
00.91 Subtotal (capital/operating expenses) .....			435
08.01 Payment of negative subsidy to capital reserve account for new busines .....			741
10.00 Total new obligations .....			1,176
<b>Budgetary resources available for obligation:</b>			
22.00 New financing authority (gross) .....			1,498
23.95 Total new obligations .....			-1,176
24.40 Unobligated balance carried forward, end of year .....			322
<b>New financing authority (gross), detail:</b>			
Mandatory:			
69.00 Spending authority from offsetting collections: Offsetting collections .....			1,498
<b>Change in obligated balances:</b>			
73.10 Total new obligations .....			1,176
73.20 Total financing disbursements (gross) .....			-1,204
74.40 Obligated balance, end of year .....			-28
<b>Outlays (gross), detail:</b>			
87.00 Total financing disbursements (gross) .....			1,204
<b>Offsets:</b>			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.25 Interest on uninvested funds .....			-9
88.40 Fees and premiums .....			-1,489
88.90 Total, offsetting collections (cash) .....			-1,498
<b>Net financing authority and financing disbursements:</b>			
89.00 Financing authority .....			
90.00 Financing disbursements .....			-294

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4587-2-0-371	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders			
2142 Uncommitted loan guarantee limitation			71,003
2150 Total guaranteed loan commitments			71,003
2199 Guaranteed amount of guaranteed loan commitments			71,003
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year			
2231 Disbursements of new guaranteed loans			71,003
2251 Repayments and prepayments			-1,955
Adjustments:			
2261 Terminations for default that result in loans receivable			-4
2262 Terminations for default that result in acquisition of property			-402
2263 Terminations for default that result in claim payments			-5
2290 Outstanding, end of year			68,637
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year			68,637
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year			
2331 Disbursements for guaranteed loan claims			4
2351 Repayments of loans receivable			
2364 Other adjustments, net			
2390 Outstanding, end of year			4

FHA-MUTUAL MORTGAGE INSURANCE CAPITAL RESERVE ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-0236-0-1-371	2007 actual	2008 est.	2009 est.
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	21,959	22,395	19,156
22.00 New budget authority (gross)	1,786	1,331	954
22.21 Unobligated balance transferred to other accounts	-1,350	-4,570	
23.90 Total budgetary resources available for obligation	22,395	19,156	20,110
24.40 Unobligated balance carried forward, end of year	22,395	19,156	20,110
<b>New budget authority (gross), detail:</b>			
Mandatory:			
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash)	1,510	963	946
69.00 Offsetting collections (negative subsidy)	214	368	8
69.10 Change in uncollected customer payments from Federal sources (unexpired)	62		
69.90 Spending authority from offsetting collections (total mandatory)	1,786	1,331	954
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year	-199	-261	-261
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-62		
74.40 Obligated balance, end of year	-261	-261	-261
<b>Offsets:</b>			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources—negative subsidy from new business	-209	-368	-8
88.00 Federal sources—downward reestimates	-554	-5	
88.00 Federal sources—loan modification	-5		
88.20 Interest on Federal securities	-956	-958	-946
88.90 Total, offsetting collections (cash)	-1,724	-1,331	-954

88.95	Against gross budget authority only:		
	Change in uncollected customer payments from Federal sources (unexpired)	-62	

Net budget authority and outlays:

89.00	Budget authority		
90.00	Outlays	-1,724	-1,331
			-954

Memorandum (non-add) entries:

92.01	Total investments, start of year: Federal securities:		
	Par value	22,030	22,405
92.02	Total investments, end of year: Federal securities:		
	Net	22,405	22,099
			21,918

Summary of Budget Authority and Outlays

(in millions of dollars)

	2007 actual	2008 est.	2009 est.
Enacted/requested:			
Budget Authority			
Outlays	-1,724	-1,331	-954
Legislative proposal, not subject to PAYGO:			
Budget Authority			
Outlays			-759
Total:			
Budget Authority			
Outlays	-1,724	-1,331	-1,713

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

Balance Sheet (in millions of dollars)

Identification code 86-0236-0-1-371	2006 actual	2007 actual
<b>ASSETS:</b>		
Federal assets:		
1101 Fund balances with Treasury	90	29
	Investments in US securities:	
1102 Treasury securities, net	21,807	22,214
1106 Receivables, net	775	266
1999 Total assets	22,672	22,509
<b>LIABILITIES:</b>		
2101 Federal liabilities: Accounts payable	1,330	4,553
2999 Total liabilities	1,330	4,553
<b>NET POSITION:</b>		
3300 Cumulative results of operations	21,342	17,956
3999 Total net position	21,342	17,956
4999 Total liabilities and net position	22,672	22,509

FHA-MUTUAL MORTGAGE INSURANCE CAPITAL RESERVE ACCOUNT

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 86-0236-2-1-371	2007 actual	2008 est.	2009 est.
<b>Budgetary resources available for obligation:</b>			
22.00	New budget authority (gross)		759
24.40	Unobligated balance carried forward, end of year		759
<b>New budget authority (gross), detail:</b>			
Mandatory:			
Spending authority from offsetting collections:			
69.00	Offsetting collections (cash)		18
69.00	Offsetting collections (negative subsidy)		741
69.90	Spending authority from offsetting collections (total mandatory)		759
<b>Offsets:</b>			
Against gross budget authority and outlays:			

FHA-MUTUAL MORTGAGE INSURANCE CAPITAL RESERVE ACCOUNT—  
Continued

## Program and Financing (in millions of dollars)—Continued

Identification code 86-0236-0-1-371	2007 actual	2008 est.	2009 est.
Offsetting collections (cash) from:			
88.00 Federal sources —negative subsidy from new business .....			-741
88.00 Federal sources—downward reestimates .....			
88.20 Interest on Federal securities .....			-18
88.90 Total, offsetting collections (cash) .....			-759
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			
90.00 Outlays .....			-759

FHA-MUTUAL MORTGAGE AND COOPERATIVE HOUSING INSURANCE  
FUNDS LIQUIDATING ACCOUNT

## Program and Financing (in millions of dollars)

Identification code 86-4070-0-3-371	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
01.03 Acquisition of real properties .....	33	88	35
01.07 Capitalized expenses .....	2	14	13
01.08 Loss mitigation activities .....	3	17	7
01.91 Total capital investment .....	38	119	55
02.02 Other Operation expenses .....	29		
10.00 Total new obligations .....	67	119	55
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	46	64	20
22.00 New budget authority (gross) .....	59	60	52
22.10 Resources available from recoveries of prior year obligations .....	26		
22.22 Unobligated balance transferred from other accounts .....		15	
23.90 Total budgetary resources available for obligation .....	131	139	72
23.95 Total new obligations .....	-67	-119	-55
24.40 Unobligated balance carried forward, end of year .....	64	20	17
<b>New budget authority (gross), detail:</b>			
Mandatory:			
69.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	59	60	52
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	232	211	223
73.10 Total new obligations .....	67	119	55
73.20 Total outlays (gross) .....	-62	-107	-55
73.45 Recoveries of prior year obligations .....	-26		
74.40 Obligated balance, end of year .....	211	223	223
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority .....	59	60	52
86.98 Outlays from mandatory balances .....	3	47	3
87.00 Total outlays (gross) .....	62	107	55
<b>Offsets:</b>			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.40 Fees and premiums .....		-13	-9
88.40 Recoveries on defaulted mortgages .....	-51	-47	-43
88.40 Other .....	-8		
88.90 Total, offsetting collections (cash) .....	-59	-60	-52
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			
90.00 Outlays .....	3	47	3

## Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4070-0-3-371	2007 actual	2008 est.	2009 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	12,773	9,872	7,773
2251 Repayments and prepayments .....	-2,868	-2,011	-1,589
2262 Adjustments: Terminations for default that result in acquisition of property .....	-33	-88	-35
2290 Outstanding, end of year .....	9,872	7,773	6,149
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	9,872	7,773	6,149
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....	7	10	
2331 Disbursements for guaranteed loan claims .....	2	10	4
2361 Write-offs of loans receivable .....		-20	-4
2364 Other adjustments, net .....	1		
2390 Outstanding, end of year .....	10		

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

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

## PROGRAM HIGHLIGHTS

	(in millions of dollars)		
	2007 actual	2008 est.	2009 est.
Mortgage insurance written (in fiscal year):			
Purchase and Refinance .....	\$56,519	\$72,172	\$110,336
Home Equity Conversion Mortgages (Maximum Claim Amounts) .....	NA	NA	\$40,944
Units			
Purchase and Refinance .....	402,140	516,697	697,805
Home Equity Conversion Mortgages .....	NA	NA	173,799

Insurance maintenance: Outstanding balance of insurance in force, end of year:			
Purchase and Refinance .....	\$322,149	\$349,417	\$411,848

**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	2006 actual	2007 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	279	276
1206 Non-Federal assets: Receivables, net .....	21	3
1601 Direct loans, gross .....	3	.....
1701 Defaulted guaranteed loans, gross .....	7	10
1702 Interest receivable .....	.....	5
1703 Allowance for estimated uncollectible loans and interest (-) .....	-3	-2
1704 Defaulted guaranteed loans and interest receivable, net .....	4	13
1706 Foreclosed property .....	6	4
1799 Value of assets related to loan guarantees .....	10	17
1901 Other Federal assets: Other assets .....	6	-3
1999 Total assets .....	319	293
<b>LIABILITIES:</b>		
Non-Federal liabilities:		
2201 Accounts payable .....	196	185
2204 Liabilities for loan guarantees .....	51	89
2207 Unearned revenue and advances, and other .....	35	28
2999 Total liabilities .....	282	302
<b>NET POSITION:</b>		
3300 Cumulative results of operations .....	37	-9
3999 Total net position .....	37	-9
4999 Total liabilities and net position .....	319	293

**Object Classification** (in millions of dollars)

Identification code 86-4070-0-3-371	2007 actual	2008 est.	2009 est.
<b>Direct obligations:</b>			
25.2 Other services .....	29	.....	.....
32.0 Land and structures .....	35	102	47
42.0 Insurance claims and indemnities .....	3	17	8
99.9 Total new obligations .....	67	119	55

**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, \$8,600,000, to remain available until expended: *Provided*, That commitments to guarantee loans shall not exceed **[\$45,000,000,000] \$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.

For administrative [contract] expenses necessary to carry out the guaranteed and direct loan programs, **[\$78,111,000**, of which not to exceed \$15,692,000 may be transferred to the Working Capital Fund] **\$48,871,000**, of which at least \$47,871,000 shall be for administrative contracts and up to \$1,000,000 shall be for consumer education and outreach for FHA loan products: *Provided*, That to the extent guaranteed loan commitments exceed \$8,426,000,000 on or before April 1, **[2008] 2009**, 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.

**[For discount sales of multifamily real property under sections 207(l) or 246 of the National Housing Act (12 U.S.C. 1713(l), 1715z-11), section 203 of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1701z-11), or section 204 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997 (12 U.S.C. 1715z-11a), and for discount loan sales under section 207(k) of the National Housing Act (12 U.S.C. 1713(k)), section 203(k) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1701z-11(k)), or section 204(a) of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Act, 1997 (12 U.S.C. 1715z-11a(a)), \$5,000,000, to remain available until September 30, 2009.]** (*Department of Housing and Urban Development Appropriations Act, 2008.*)

**Program and Financing** (in millions of dollars)

Identification code 86-0200-0-1-371	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.02 Guaranteed loan subsidy .....	5	14	19
00.07 Reestimate of credit subsidy .....	107	272	.....
00.08 Interest on reestimates of loan guarantee subsidy .....	2	29	.....
00.10 Administrative contract expenses .....	61	62	49
00.12 Discount Loan Sales .....	.....	.....	.....
10.00 Total new obligations .....	175	377	68
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	56	24	24
22.00 New budget authority (gross) .....	186	377	58
22.10 Resources available from recoveries of prior year obligations .....	5	.....	.....
23.90 Total budgetary resources available for obligation .....	247	401	82
23.95 Total new obligations .....	-175	-377	-68
23.98 Unobligated balance expiring or withdrawn .....	-48	.....	.....
24.40 Unobligated balance carried forward, end of year .....	24	24	14
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	317	92	58
41.00 Transferred to other accounts .....	-240	-16	.....
43.00 Appropriation (total discretionary) .....	77	76	58
Mandatory:			
60.00 Appropriation .....	109	301	.....
70.00 Total new budget authority (gross) .....	186	377	58
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	101	100	105
73.10 Total new obligations .....	175	377	68
73.20 Total outlays (gross) .....	-165	-372	-76
73.40 Adjustments in expired accounts (net) .....	-6	.....	.....
73.45 Recoveries of prior year obligations .....	-5	.....	.....
74.40 Obligated balance, end of year .....	100	105	97
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	8	54	44
86.93 Outlays from discretionary balances .....	48	17	32
86.97 Outlays from new mandatory authority .....	109	301	.....
87.00 Total outlays (gross) .....	165	372	76
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	186	377	58
90.00 Outlays .....	165	372	76

**Summary of Budget Authority and Outlays**

	(in millions of dollars)		
	2007 actual	2008 est.	2009 est.
Enacted/requested:			
Budget Authority .....	186	377	58
Outlays .....	165	372	76
Legislative proposal, not subject to PAYGO:			
Budget Authority .....	.....	.....	.....

GENERAL AND SPECIAL RISK PROGRAM ACCOUNT—Continued  
(INCLUDING TRANSFERS OF FUNDS)—Continued

Summary of Budget Authority and Outlays—Continued

(in millions of dollars)

	2007 actual	2008 est.	2009 est.
Outlays .....			-15
Total:			
Budget Authority .....	186	377	58
Outlays .....	165	372	61

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

Identification code 86-0200-0-1-371	2007 actual	2008 est.	2009 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Multifamily Development .....	800	900	1,000
215002 221(d)(3) Cooperatives .....	4	10	10
215003 Tax Credit New Construction .....	661	700	720
215005 Apartments Refinance .....	1,378	1,500	1,600
215006 241 Supplemental Loans .....	8	10	10
215007 Multifamily Operating Loss Loans .....	7	15	15
215008 Housing Finance Authority Risk Sharing .....	112	120	120
215009 GSE Risk Sharing .....	15	15	15
215010 Health Care and Nursing Homes .....	320	500	500
215011 Health Care Refinances .....	863	1,150	1,300
215012 Hospitals .....	647	1,100	1,100
215013 Other Rental .....	2	15	15
215014 Section 234: Condominiums .....	2,879	3,657	4,068
215015 Section 203(k): Rehabilitation Mortgages .....	442	539	649
215016 Home Equity Conversion Mortgages .....	24,694	28,990	33,338
215017 Title 1 Property Improvement .....	42	54	54
215018 Title 1 Manufactured Housing .....	53	71	71
215999 Total loan guarantee levels .....	32,927	39,346	44,585
Guaranteed loan subsidy (in percent):			
232001 Multifamily Development .....	-0.61	-0.83	-1.10
232002 221(d)(3) Cooperatives .....	6.31	5.67	5.84
232003 Tax Credit New Construction .....	-2.78	-3.20	-3.20
232005 Apartments Refinance .....	-1.63	-2.75	-3.29
232006 241 Supplemental Loans .....	3.93	2.99	1.97
232007 Multifamily Operating Loss Loans .....	16.55	15.43	22.18
232008 Housing Finance Authority Risk Sharing .....	-0.68	-1.25	-1.17
232009 GSE Risk Sharing .....	-0.89	-1.42	-1.43
232010 Health Care and Nursing Homes .....	-2.42	-0.68	-0.74
232011 Health Care Refinances .....	-0.91	-1.58	-2.09
232012 Hospitals .....	-1.83	-2.66	-2.51
232013 Other Rental .....	-1.56	-1.82	-2.14
232014 Section 234: Condominiums .....	-1.49	-0.88	-0.12
232015 Section 203(k): Rehabilitation Mortgages .....	0.31	1.89	2.29
232016 Home Equity Conversion Mortgages .....	-2.82	-1.90	-1.37
232017 Title 1 Property Improvement .....	0.97	0.52	-0.52
232018 Title 1 Manufactured Housing .....	0.83	0.13	-0.14
232999 Weighted average subsidy rate .....	-2.46	-1.76	-1.32
Guaranteed loan subsidy budget authority:			
233001 Multifamily Development .....	-5	-8	-11
233002 221(d)(3) Cooperatives .....	1	1	1
233003 Tax Credit New Construction .....	-21	-22	-23
233005 Apartments Refinance .....	-24	-42	-53
233007 Multifamily Operating Loss Loans .....	1	2	3
233008 Housing Finance Authority Risk Sharing .....	-1	-2	-1
233010 Health Care and Nursing Homes .....	-9	-3	-4
233011 Health Care Refinances .....	-6	-18	-27
233012 Hospitals .....	-13	-29	-28
233014 Section 234: Condominiums .....	-43	-32	-5
233015 Section 203(k): Rehabilitation Mortgages .....	1	11	15
233016 Home Equity Conversion Mortgages .....	-696	-551	-457
233017 Title 1 Property Improvement .....	1		
233018 Title 1 Manufactured Housing .....	1		
233999 Total subsidy budget authority .....	-813	-693	-591
Guaranteed loan subsidy outlays:			
234001 Multifamily Development .....	-3	-7	-10
234002 221(d)(3) Cooperatives .....	1	1	1
234003 Tax Credit New Construction .....	-19	-19	-23
234005 Apartments Refinance .....	-26	-31	-50
234007 Multifamily Operating Loss Loans .....	1	2	3
234008 Housing Finance Authority Risk Sharing .....	-1	-1	-1
234010 Health Care and Nursing Homes .....	-8	-3	-4
234011 Health Care Refinances .....	-9	-14	-25
234012 Hospitals .....	-15	-22	-28
234014 Section 234: Condominiums .....	-43	-32	-5

234015 Section 203(k): Rehabilitation Mortgages .....	1	10	15
234016 Home Equity Conversion Mortgages .....	-696	-551	-457
234017 Title 1 Property Improvement .....	1		
234018 Title 1 Manufactured Housing .....	1		
234999 Total subsidy outlays .....	-815	-667	-584
Guaranteed loan upward reestimates:			
235023 GI/SRI Reestimates .....	109	301	
235999 Total upward reestimate budget authority .....	109	301	
Guaranteed loan downward reestimates:			
237023 GI/SRI Reestimates .....	-1,746	-897	
237999 Total downward reestimate subsidy budget authority .....	-1,746	-897	
Administrative expense data:			
3510 Budget authority .....	68	62	49
3580 Outlays from balances .....	47	10	15
3590 Outlays from new authority .....	4	47	37

This account includes budget authority for insurance programs requiring positive credit subsidies, as well as administrative contract costs for all General and Special Risk Insurance Fund programs. Unlike previous years, this account no longer receives appropriations for Departmental personnel costs, illustrated by the considerable reduction in both total budget authority and obligation activities in both 2008 and 2009.

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 proposes a consolidation of FHA single-family programs under the Mutual Mortgage Insurance fund, which would shift several programs—including condominium mortgage insurance and home equity conversion mortgage (HECM) insurance—currently administered through this account, as reflected in separate schedules in this section.

Object Classification (in millions of dollars)

Identification code 86-0200-0-1-371	2007 actual	2008 est.	2009 est.
Direct obligations:			
25.1 Advisory and assistance services .....	61	62	49
41.0 Grants, subsidies, and contributions .....	114	315	19
99.9 Total new obligations .....	175	377	68

FHA-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	2007 actual	2008 est.	2009 est.
Obligations by program activity:			
00.02 Guaranteed loan subsidy .....			-15
10.00 Total new obligations (object class 41.0) .....			-15
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year .....			
23.95 Total new obligations .....			15
24.40 Unobligated balance carried forward, end of year .....			15
Change in obligated balances:			
73.10 Total new obligations .....			-15
73.20 Total outlays (gross) .....			15

<b>Outlays (gross), detail:</b>			
86.93	Outlays from discretionary balances .....		- 15
<b>Net budget authority and outlays:</b>			
89.00	Budget authority .....		
90.00	Outlays .....		- 15

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

Identification code 86-0200-2-1-371	2007 actual	2008 est.	2009 est.
<b>Guaranteed loan levels supportable by subsidy budget authority:</b>			
215014 Section 234: Condominiums .....			- 4,068
215015 Section 203(k): Rehabilitation Mortgages .....			- 649
215016 Home Equity Conversion Mortgages .....			- 33,338
215999 Total loan guarantee levels .....			- 38,055
<b>Guaranteed loan subsidy (in percent):</b>			
232014 Section 234: Condominiums .....			0.12
232015 Section 203(k): Rehabilitation Mortgages .....			- 2.29
232016 Home Equity Conversion Mortgages .....			1.37
232999 Weighted average subsidy rate .....			- 0.88
<b>Guaranteed loan subsidy budget authority:</b>			
233014 Section 234: Condominiums .....			5
233015 Section 203(k): Rehabilitation Mortgages .....			- 15
233016 Home Equity Conversion Mortgages .....			457
233999 Total subsidy budget authority .....			447
<b>Guaranteed loan subsidy outlays:</b>			
234014 Section 234: Condominiums .....			5
234015 Section 203(k): Rehabilitation Mortgages .....			- 15
234016 Home Equity Conversion Mortgages .....			457
234999 Total subsidy outlays .....			447

**FHA-GENERAL AND SPECIAL RISK GUARANTEED LOAN FINANCING ACCOUNT**

**Program and Financing (in millions of dollars)**

Identification code 86-4077-0-3-371	2007 actual	2008 est.	2009 est.
<b>Capital investment, claims and other</b>			
00.01 Default claims .....	802	1,457	2,201
00.02 Interest paid to Treasury .....	104	100	100
00.03 Other capital investments and operating expenses .....	39	110	85
00.09 Asset sale negative subsidy payment to the receipt account .....		8	9
00.14 Contract Costs .....	77	15	15
00.91 Direct Program by Activities—Subtotal (1 level) .....	1,022	1,690	2,410
08.01 Payment of negative subsidy to receipt account .....	817	707	609
08.02 Downward subsidy rate reestimate .....	1,360	634	
08.04 Interest on subsidy rate reestimates .....	386	263	
08.05 Payment of Subsidy to receipt account for savings .....	193		
08.91 Direct Program by Activities—Subtotal (1 level) .....	2,756	1,604	609
10.00 Total new obligations .....	3,778	3,294	3,019
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	2,714	1,085	758
22.00 New financing authority (gross) .....	2,138	2,967	2,733
22.10 Resources available from recoveries of prior year obligations .....	39		
22.60 Portion applied to repay debt .....	- 28		
23.90 Total budgetary resources available for obligation .....	4,863	4,052	3,491
23.95 Total new obligations .....	- 3,778	- 3,294	- 3,019
24.40 Unobligated balance carried forward, end of year .....	1,085	758	472

**New financing authority (gross), detail:**

<b>Mandatory:</b>			
60.00	Appropriation .....	2	
67.10	Authority to borrow .....	600	800
<b>Spending authority from offsetting collections:</b>			
69.00	Offsetting collections (cash) .....	1,884	2,367
69.10	Change in uncollected customer payments from Federal sources (unexpired) .....	37	

69.47	Portion applied to repay debt .....	- 385	- 200	- 200
69.90	Spending authority from offsetting collections (total mandatory) .....	1,536	2,167	1,933
70.00	Total new financing authority (gross) .....	2,138	2,967	2,733

**Change in obligated balances:**

72.40	Obligated balance, start of year .....	211	148	323
73.10	Total new obligations .....	3,778	3,294	3,019
73.20	Total financing disbursements (gross) .....	- 3,765	- 3,119	- 2,916
73.45	Recoveries of prior year obligations .....	- 39		
74.00	Change in uncollected customer payments from Federal sources (unexpired) .....	- 37		
74.40	Obligated balance, end of year .....	148	323	426

**Outlays (gross), detail:**

87.00	Total financing disbursements (gross) .....	3,765	3,119	2,916
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**Offsets:**

<b>Against gross financing authority and financing disbursements:</b>				
<b>Offsetting collections (cash) from:</b>				
88.00	Payments from program account .....	- 5	- 13	- 19
88.00	Gross Proceeds from sale of mortgage notes (liquidating) .....		- 8	- 9
88.00	Subsidy reestimate from program account .....	- 109	- 301	
88.00	Payment from Liquidating Acct from legislative savings .....	- 119		
88.00	Federal sources -other .....	- 3		
88.25	Interest on uninvested funds .....	- 107	- 110	- 110
88.40	Fees and premiums .....	- 958	- 1,182	- 1,323
88.40	Recoveries on defaulted mortgages .....	- 143	- 5	- 61
88.40	Title I recoveries .....	- 13	- 2	- 2
88.40	Single family property recoveries .....	- 135	- 579	- 409
88.40	Gross Proceeds from Mortgage Note Sales .....	- 230	- 101	- 133
88.40	Multifamily property recoveries .....		- 1	- 2
88.40	Non-Federal Resources-other .....	- 62	- 65	- 65
88.90	Total, offsetting collections (cash) .....	- 1,884	- 2,367	- 2,133
<b>Against gross financing authority only:</b>				
88.95	Change in receivables from program accounts .....	- 37		

**Net financing authority and financing disbursements:**

89.00	Financing authority .....	217	600	600
90.00	Financing disbursements .....	1,881	752	783

**Status of Guaranteed Loans (in millions of dollars)**

Identification code 86-4077-0-3-371	2007 actual	2008 est.	2009 est.	
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders .....	45,000	45,000	45,000
2142	Uncommitted loan guarantee limitation .....	- 12,073	- 5,654	- 415
2150	Total guaranteed loan commitments .....	32,927	39,346	44,585
2199	Guaranteed amount of guaranteed loan commitments .....	32,297	39,346	44,485
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year .....	91,180	102,191	111,774
2231	Disbursements of new guaranteed loans .....	33,060	25,596	27,243
2251	Repayments and prepayments .....	- 21,247	- 14,550	- 12,295
<b>Adjustments:</b>				
2261	Terminations for default that result in loans receivable .....	- 603	- 1,045	- 1,703
2262	Terminations for default that result in acquisition of property .....	- 196	- 412	- 497
2263	Terminations for default that result in claim payments .....	- 3	- 6	- 7
2290	Outstanding, end of year .....	102,191	111,774	124,515
<b>Memorandum:</b>				
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	93,420	111,774	124,515

**Addendum:**

<b>Cumulative balance of defaulted guaranteed loans that result in loans receivable:</b>				
2310	Outstanding, start of year .....	577	542	1,426
2331	Disbursements for guaranteed loan claims .....	603	1,045	1,703
2351	Repayments of loans receivable .....	- 380	- 137	- 103
2361	Write-offs of loans receivable .....	- 258	- 24	- 21

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

Status of Guaranteed Loans (in millions of dollars)—Continued

Identification code 86-4077-0-3-371	2007 actual	2008 est.	2009 est.
2390 Outstanding, end of year	542	1,426	3,005

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	2006 actual	2007 actual
<b>ASSETS:</b>		
Federal assets:		
1101 Fund balances with Treasury	2,924	1,231
Investments in US securities:		
1106 Receivables, net	109	301
Non-Federal assets:		
1201 Investments in non-Federal securities, net	2	80
1206 Receivables, net	10	-1
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1501 Defaulted guaranteed loans receivable, gross	576	542
1502 Interest receivable	48	187
1504 Foreclosed property	350	330
1505 Allowance for subsidy cost	-633	-118
1599 Net value of assets related to defaulted guaranteed loan	341	941
1901 Other Federal assets: Other assets	23	51
1999 Total assets	3,409	2,603
<b>LIABILITIES:</b>		
Federal liabilities:		
2101 Accounts payable Intragovernmental	1,809	897
2103 Debt	1,230	1,445
2105 Other Federal Liabilities	8	
Non-Federal liabilities:		
2201 Accounts payable	21	16
2202 Interest payable	12	
2203 Non Federal Debt	33	5
2204 Liabilities for loan guarantees	156	158
2207 Other	140	82
2999 Total liabilities	3,409	2,603
4999 Total liabilities and net position	3,409	2,603

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	2007 actual	2008 est.	2009 est.
Capital investment, claims and other			
00.01 Default claims			- 58
00.03 Other capital investments and operating expenses			- 7
00.91 Direct Program by Activities—Subtotal (1 level)			- 65
08.01 Payment of negative subsidy to receipt account			- 462
10.00 Total new obligations			- 527
<b>Budgetary resources available for obligation:</b>			
22.00 New financing authority (gross)			- 762
23.95 Total new obligations			527
24.40 Unobligated balance carried forward, end of year			- 235

New financing authority (gross), detail:  
Mandatory:

69.00 Spending authority from offsetting collections: Offsetting collections (cash)			- 762
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Change in obligated balances:

73.10 Total new obligations			- 527
73.20 Total financing disbursements (gross)			527
74.40 Obligated balance, end of year			

Outlays (gross), detail:

87.00 Total financing disbursements (gross)			- 527
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Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Payments from program account			15
88.00 Gross Proceeds from sale of mortgage notes (liquidating)			
88.00 Subsidy reestimate from program account			
88.00 Federal Resources -Other			
88.00 Payment from Liquidating Acct from legislative savings			
88.40 Fees and premiums			711
88.40 Recoveries on defaulted mortgages			
88.40 Title I recoveries			
88.40 Single family property recoveries			36
88.40 Gross Proceeds from Mortgage Note Sales			
88.40 Multifamily property recoveries			
88.40 Non-Federal Resources-other			
88.90 Total, offsetting collections (cash)			762

Net financing authority and financing disbursements:

89.00 Financing authority			
90.00 Financing disbursements			235

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4077-2-3-371	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders			- 10,000
2142 Uncommitted loan guarantee limitation			- 28,055
2150 Total guaranteed loan commitments			- 38,055
2199 Guaranteed amount of guaranteed loan commitments			- 38,055

Cumulative balance of guaranteed loans outstanding:

2210 Outstanding, start of year			
2231 Disbursements of new guaranteed loans			- 20,805
2251 Repayments and prepayments			8,053
Adjustments:			
2261 Terminations for default that result in loans receivable			
2262 Terminations for default that result in acquisition of property			57
2263 Terminations for default that result in claim payments			
2290 Outstanding, end of year			- 12,695

Memorandum:

2299 Guaranteed amount of guaranteed loans outstanding, end of year			- 12,695
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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			
2361 Write-offs of loans receivable			
2390 Outstanding, end of year			



FHA-GENERAL AND SPECIAL RISK DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4105-0-3-371	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Direct loans .....		1	1
10.00 Total new obligations .....		1	1
<b>Budgetary resources available for obligation:</b>			
22.00 New financing authority (gross) .....		1	1
23.95 Total new obligations .....		-1	-1
24.40 Unobligated balance carried forward, end of year .....			
<b>New financing authority (gross), detail:</b>			
Mandatory:			
67.10 Authority to borrow .....		1	1
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash) .....		1	1
69.47 Portion applied to repay debt .....		-1	-1
69.90 Spending authority from offsetting collections (total mandatory) .....			
70.00 Total new financing authority (gross) .....		1	1
<b>Change in obligated balances:</b>			
73.10 Total new obligations .....		1	1
73.20 Total financing disbursements (gross) .....		-1	-1
<b>Outlays (gross), detail:</b>			
87.00 Total financing disbursements (gross) .....		1	1
<b>Offsets:</b>			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.40 Repayment of Principal .....		-1	-1
88.40 Repayment of interest .....			
88.90 Total, offsetting collections (cash) .....		-1	-1
<b>Net financing authority and financing disbursements:</b>			
89.00 Financing authority .....			
90.00 Financing disbursements .....			

Status of Direct Loans (in millions of dollars)

Identification code 86-4105-0-3-371	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans .....	50	50	50
1142 Unobligated direct loan limitation (-) .....	-50	-49	-49
1150 Total direct loan obligations .....		1	1
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....			
1231 Disbursements: Direct loan disbursements .....			
1251 Repayments: Repayments and prepayments .....			
1290 Outstanding, end of year .....			

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

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.

FHA-LOAN GUARANTEE RECOVERY FUND FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4106-0-3-371	2007 actual	2008 est.	2009 est.
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	3	4	5
22.00 New financing authority (gross) .....	1	1	1
23.90 Total budgetary resources available for obligation	4	5	6
24.40 Unobligated balance carried forward, end of year	4	5	6
<b>New financing authority (gross), detail:</b>			
Mandatory:			
69.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	1	1	1
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	-1	-1	-2
73.20 Total financing disbursements (gross) .....		-1	-1
74.40 Obligated balance, end of year .....	-1	-2	-3
<b>Outlays (gross), detail:</b>			
87.00 Total financing disbursements (gross) .....		1	1
<b>Offsets:</b>			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources .....	-1		
88.25 Interest on uninvested funds .....		-1	-1
88.90 Total, offsetting collections (cash) .....	-1	-1	-1
<b>Net financing authority and financing disbursements:</b>			
89.00 Financing authority .....			
90.00 Financing disbursements .....	-1		

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4106-0-3-371	2007 actual	2008 est.	2009 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	1	
2143 Uncommitted limitation carried forward .....	-1		
2150 Total guaranteed loan commitments .....	1	1	
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	4	7	5
2231 Disbursements of new guaranteed loans .....	3		
2251 Repayments and prepayments .....		-2	-2
2290 Outstanding, end of year .....	7	5	3
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	7	5	3

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. One loan has been made since 2004.

FHA-LOAN GUARANTEE RECOVERY FUND FINANCING ACCOUNT—  
Continued

## Balance Sheet (in millions of dollars)

Identification code 86-4106-0-3-371	2006 actual	2007 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	3	4
1999 Total assets .....	3	4
<b>LIABILITIES:</b>		
2204 Non-Federal liabilities: Liabilities for loan guarantees .....	3	4
2999 Total liabilities .....	3	4
4999 Total liabilities and net position .....	3	4

FHA-GENERAL AND SPECIAL RISK INSURANCE FUNDS LIQUIDATING  
ACCOUNT

## Program and Financing (in millions of dollars)

Identification code 86-4072-0-3-371	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
Operating expenses			
00.02 Interest on debentures .....	9	14	14
00.03 Other operating costs .....	3	3	3
00.06 PAE & 3rd party restructuring fees .....	21	12	12
00.91 Total operating expenses .....	30	29	29
Capital investment: Claims and other			
01.01 Acquisition of defaulted Title I notes .....	1	1	1
01.02 Assignment of mortgages .....	29	15	10
01.03 Debenture Claims .....	8	5	5
01.04 Mark-To-Market Restructures .....	148	253	14
01.05 Acquisition of real properties .....	3	6	2
01.10 Capitalized Expenses .....	8	25	25
01.11 Escrow Advances .....	136	125	125
01.12 Upfront Grants .....	9	9	9
01.13 Other .....	10	10	10
01.14 M&M Contract .....	1	1	1
01.15 Payment to Financing Account -Legislative Savings .....	119	119	119
01.16 Payment to the Financing Account-Asset Sale .....	8	8	9
01.91 Total capital investment .....	453	458	202
10.00 Total new obligations .....	483	487	231
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	160	235	.....
22.00 New budget authority (gross) .....	696	587	331
22.10 Resources available from recoveries of prior year obligations .....	35	.....	.....
22.40 Capital transfer to general fund .....	-160	-235	.....
22.60 Portion applied to repay debt .....	-13	-100	-100
23.90 Total budgetary resources available for obligation .....	718	487	231
23.95 Total new obligations .....	-483	-487	-231
24.40 Unobligated balance carried forward, end of year .....	235	.....	.....
<b>New budget authority (gross), detail:</b>			
Mandatory:			
60.00 Appropriation .....	413	113	97
67.10 Authority to borrow .....	15	100	100
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash) .....	274	374	134
69.10 Change in uncollected customer payments from Federal sources (unexpired) .....	-6	.....	.....
69.90 Spending authority from offsetting collections (total mandatory) .....	268	374	134
70.00 Total new budget authority (gross) .....	696	587	331
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	558	570	556
73.10 Total new obligations .....	483	487	231
73.20 Total outlays (gross) .....	-442	-501	-368
73.45 Recoveries of prior year obligations .....	-35	.....	.....
74.00 Change in uncollected customer payments from Federal sources (unexpired) .....	6	.....	.....
74.40 Obligated balance, end of year .....	570	556	419

## Outlays (gross), detail:

86.97 Outlays from new mandatory authority .....	1	55	48
86.98 Outlays from mandatory balances .....	441	446	320
87.00 Total outlays (gross) .....	442	501	368

## Offsets:

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources .....	-6	.....	.....
88.40 Fees and premiums .....	56	-268	-58
88.40 Proceeds from sale of real property .....	.....	-3	-2
88.40 Proceeds from sale of mortgage notes .....	-120	-37	-15
88.40 Recoveries on defaulted mortgages .....	-142	-48	-46
88.40 Interest, dividends and revenue .....	-59	-15	-10
88.40 Other collections .....	-3	-3	-3
88.90 Total, offsetting collections (cash) .....	-274	-374	-134
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired) .....	6	.....	.....

## Net budget authority and outlays:

89.00 Budget authority .....	428	213	197
90.00 Outlays .....	168	127	234

## Memorandum (non-add) entries:

92.01 Total investments, start of year: Federal securities:			
Par value .....	6	5	5
92.02 Total investments, end of year: Federal securities:			
Par value .....	5	5	5

## Status of Direct Loans (in millions of dollars)

Identification code 86-4072-0-3-371	2007 actual	2008 est.	2009 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	15	.....	.....
1251 Repayments: Repayments and prepayments .....	-15	.....	.....
1290 Outstanding, end of year .....	.....	.....	.....

## Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4072-0-3-371	2007 actual	2008 est.	2009 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	6,475	5,609	3,690
2251 Repayments and prepayments .....	-659	-1,645	-884
Adjustments:			
2261 Terminations for default that result in loans receivable .....	-204	-268	-24
2262 Terminations for default that result in acquisition of property .....	-3	-6	-2
2290 Outstanding, end of year .....	5,609	3,690	2,780
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	5,366	3,690	2,780

## Addendum:

Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....	2,988	2,994	3,208
2331 Disbursements for guaranteed loan claims .....	204	268	24
2351 Repayments of loans receivable .....	-157	-51	-38
2361 Write-offs of loans receivable .....	-41	-3	-1
2390 Outstanding, end of year .....	2,994	3,208	3,193

The General Insurance fund provides insurance for a large number of specialized mortgage insurance programs, including insurance of loans for property improvements, cooperatives, condominiums, nursing homes, rental housing and non-profit 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 is 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 are recorded in corresponding program (86-0200) and financing (86-4077 and 86-4105) accounts.

**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	2006 actual	2007 actual
<b>ASSETS:</b>		
Federal assets:		
1101 Fund balances with Treasury .....	712	800
Investments in US securities:		
1102 Treasury securities, par .....	5	5
Non-Federal assets:		
1201 Investments in non-Federal securities, net .....	3	3
1206 Receivables, net .....	95	1
1699 Value of assets related to direct loans .....		
1701 Defaulted guaranteed loans, gross .....	2,988	2,994
1702 Interest receivable .....	138	212
1703 Allowance for estimated uncollectible loans and interest (-) .....	-823	-808
1704 Defaulted guaranteed loans and interest receivable, net .....	2,303	2,398
1706 Foreclosed property .....	8	5
1799 Value of assets related to loan guarantees .....	2,311	2,403
1901 Other Federal assets: Other assets .....	2	6
1999 Total assets .....	3,128	3,218
<b>LIABILITIES:</b>		
Federal liabilities: Federal Accounts payable .....		
2101 .....		44
Non-Federal liabilities:		
2201 Accounts payable .....	15	19
2202 Interest payable .....	12	1
2203 Debt .....	62	64
2204 Liabilities for loan guarantees .....	447	283
2207 Unearned revenue and advances .....	292	199
2999 Total liabilities .....	828	610
<b>NET POSITION:</b>		
3100 Appropriated capital .....	765	474
3300 Cumulative results of operations .....	1,535	2,134
3999 Total net position .....	2,300	2,608
4999 Total liabilities and net position .....	3,128	3,218

**Object Classification (in millions of dollars)**

Identification code 86-4072-0-3-371	2007 actual	2008 est.	2009 est.
<b>Direct obligations:</b>			
25.2 Other services .....	22	26	26
32.0 Land and structures .....	11	40	27
33.0 Investments and loans .....	322	399	155
43.0 Interest and dividends .....	9	14	14
44.0 Repayments to financing account .....	119	8	9
99.9 Total new obligations .....	483	487	231

**HOUSING FOR THE ELDERLY OR HANDICAPPED FUND LIQUIDATING ACCOUNT**

**Program and Financing (in millions of dollars)**

Identification code 86-4115-0-3-371	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.02 Maintenance security and collateral .....		15	15
01.02 Loan Management, Liquidations and Property Dispositions .....	1		
10.00 Total new obligations (object class 32.0) .....	1	15	15
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	72	14	
22.00 New budget authority (gross) .....	1,348	1,200	1,050

22.40 Capital transfer to general fund .....	-1,405	-1,199	-1,035
23.90 Total budgetary resources available for obligation .....	15	15	15
23.95 Total new obligations .....	-1	-15	-15
24.40 Unobligated balance carried forward, end of year .....	14		

**New budget authority (gross), detail:**

<b>Mandatory:</b>			
69.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	1,348	1,200	1,050

**Change in obligated balances:**

72.40 Obligated balance, start of year .....	3	2	2
73.10 Total new obligations .....	1	15	15
73.20 Total outlays (gross) .....	-2	-15	-15
74.40 Obligated balance, end of year .....	2	2	2

**Outlays (gross), detail:**

86.97 Outlays from new mandatory authority .....	2	15	15
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**Offsets:**

<b>Against gross budget authority and outlays:</b>			
88.40 Offsetting collections (cash) from: Non-Federal sources .....	-1,348	-1,200	-1,050

**Net budget authority and outlays:**

89.00 Budget authority .....			
90.00 Outlays .....	-1,346	-1,185	-1,035

**Status of Direct Loans (in millions of dollars)**

Identification code 86-4115-0-3-371	2007 actual	2008 est.	2009 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	5,520	4,594	3,844
1251 Repayments: Repayments and prepayments .....	-921	-750	-750
1264 Write-offs for default: Other adjustments, net (+ or -) <sup>1</sup> .....	-5		
1290 Outstanding, end of year .....	4,594	3,844	3,094

<sup>1</sup>Reclassify to Foreclosed Property Acquired

Note.—Amounts for direct loan obligations reflect reservations of direct loan funds for elderly and disabled projects. 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, a combined liquidating account was established pursuant to section 202 of the Housing Act of 1959, as amended. The loan program is no longer active—no new loan commitments were made after 1991—although projects developed under it continue to operate. The program provided direct loans to non-profit organizations sponsoring the construction and management of rental housing for the elderly or non-elderly persons with disabilities. Any remaining activity for the loan program includes amendments for projects reaching final endorsement, payment of interest and repayment of borrowings to Treasury, and management of the loan portfolio.

Projects included an assured range of necessary services for the occupants of such projects. In addition, the section 8 rental assistance program has been used in conjunction with the section 202 program, such that HUD rental assistance payments partially cover the loan liability. 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.

HOUSING FOR THE ELDERLY OR HANDICAPPED FUND LIQUIDATING  
ACCOUNT—Continued

*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	2006 actual	2007 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	76	17
1206 Non-Federal assets: Interest Receivable: Public .....	62	57
1601 Direct loans, gross .....	5,520	4,594
1603 Allowance for estimated uncollectible loans and interest (-) .....	-22	-18
1604 Direct loans and interest receivable, net .....	5,498	4,576
1606 Acquired Real Property .....	1	1
1699 Value of assets related to direct loans .....	5,499	4,577
1999 Total assets .....	5,637	4,651
<b>LIABILITIES:</b>		
2207 Non-Federal liabilities: Other .....	28	30
2999 Total liabilities .....	28	30
<b>NET POSITION:</b>		
3100 Unexpended Appropriations .....	17	16
3300 Revolving Fund: Cumulative results of operations .....	5,592	4,605
3999 Total net position .....	5,609	4,621
4999 Total liabilities and net position .....	5,637	4,651

**Trust Funds****MANUFACTURED HOUSING FEES TRUST FUND****Special and Trust Fund Receipts** (in millions of dollars)

Identification code 86-8119-0-7-376	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year .....			
01.99 Balance, start of year .....			
<b>Receipts:</b>			
02.00 Mobile Home Inspection and Monitoring Fees, Manufactured Housing Fee Trust Fund .....	7	16	11
02.40 General Fund Payment, Manufactured Housing Fee Trust Fund .....			5
02.99 Total receipts and collections .....	7	16	16
04.00 Total: Balances and collections .....	7	16	16
<b>Appropriations:</b>			
05.00 Manufactured Housing Fees Trust Fund .....	-7	-16	-16
07.99 Balance, end of year .....			

**Program and Financing** (in millions of dollars)

Identification code 86-8119-0-7-376	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Transfer to salaries and expenses .....	1	2	2
00.02 Other program costs .....	6	17	14
10.00 Total new obligations (object class 25.2) .....	7	19	16
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	3	3	
22.00 New budget authority (gross) .....	7	16	16
23.90 Total budgetary resources available for obligation .....	10	19	16
23.95 Total new obligations .....	-7	-19	-16
24.40 Unobligated balance carried forward, end of year .....	3		
<b>New budget authority (gross), detail:</b>			
<b>Discretionary:</b>			
40.26 Appropriation (trust fund) .....	7	16	16
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	2	2	5
73.10 Total new obligations .....	7	19	16
73.20 Total outlays (gross) .....	-7	-16	-16

74.40 Obligated balance, end of year .....	2	5	5
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	3	13	13
86.93 Outlays from discretionary balances .....	4	3	3
87.00 Total outlays (gross) .....	7	16	16
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	7	16	16
90.00 Outlays .....	7	16	16

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

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

The Budget proposes to supplement the program's fee revenue with a direct appropriation, which will offset the effect of declining fee revenue caused by a substantial reduction in manufactured housing production rates, and help pay for startup costs associated with the new installation and dispute resolution programs.

**GOVERNMENT NATIONAL MORTGAGE  
ASSOCIATION**

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

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

**Federal Funds**

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

New commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed \$200,000,000,000, to remain available until September 30, [2009] 2010.

For administrative contract expenses necessary to carry out the guaranteed mortgage-backed securities program, \$43,000,000, to be derived by transfer from the GNMA guarantees of mortgages-backed securities guaranteed loan receipt account. Provided, That to the extent new guarantees of mortgage-backed securities exceed \$75,000,000,000 on or before April 1, 2009, an additional \$1,000 for administrative contract expenses shall be available for each \$1,000,000 in additional guaranteed loan commitments (including a pro rata amount for any amount below \$1,000,000) but in no case shall funds made available by this proviso exceed \$14,000,000. (Department of Housing and Urban Development Appropriations Act, 2008.)

**Special and Trust Fund Receipts (in millions of dollars)**

Identification code 86-0186-0-1-371	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year	2,851	3,033	3,196
01.99 Balance, start of year	2,851	3,033	3,196
<b>Receipts:</b>			
02.20 GNMA-guarantees of Mortgage Backed Securities Guarantee Loans, Negative Subsidies	193	163	163
02.99 Total receipts and collections	193	163	163
04.00 Total: Balances and collections	3,044	3,196	3,359
<b>Appropriations:</b>			
05.00 Guarantees of Mortgage-backed Securities Loan Guarantee Program Account	-11		
05.01 Guarantees of Mortgage-backed Securities Loan Guarantee Program Account—legislative proposal not subject to PAYGO			-43
05.99 Total appropriations	-11		-43
07.99 Balance, end of year	3,033	3,196	3,316

**Program and Financing (in millions of dollars)**

Identification code 86-0186-0-1-371	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.09 Administrative expenses, salaries and expenses	11		
10.00 Total new obligations (object class 25.3)	11		
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross)	11		
23.95 Total new obligations	-11		
<b>New budget authority (gross), detail:</b>			
<b>Discretionary:</b>			
40.20 Appropriation (special fund)	11		
<b>Change in obligated balances:</b>			
73.10 Total new obligations	11		
73.20 Total outlays (gross)	-11		
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority	11		
<b>Net budget authority and outlays:</b>			
89.00 Budget authority	11		
90.00 Outlays	11		

**Summary of Budget Authority and Outlays**

(in millions of dollars)

	2007 actual	2008 est.	2009 est.
<b>Enacted/requested:</b>			
Budget Authority	11		
Outlays	11		
<b>Legislative proposal, not subject to PAYGO:</b>			
Budget Authority			43
Outlays			43

Total:			
Budget Authority	11		43
Outlays	11		43

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

Identification code 86-0186-0-1-371	2007 actual	2008 est.	2009 est.
<b>Guaranteed loan levels supportable by subsidy budget authority:</b>			
215001 Ginne Mae mortgage-backed securities	85,071	77,400	77,400
215999 Total loan guarantee levels	85,071	77,400	77,400
<b>Guaranteed loan subsidy (in percent):</b>			
232001 Ginne Mae mortgage-backed securities	-0.21	-0.21	-0.21
232999 Weighted average subsidy rate	-0.21	-0.21	-0.21
<b>Guaranteed loan subsidy budget authority:</b>			
233001 Ginne Mae mortgage-backed securities	-193	-163	-163
233999 Total subsidy budget authority	-193	-163	-163
<b>Guaranteed loan subsidy outlays:</b>			
234001 Ginne Mae mortgage-backed securities	-193	-163	-163
234999 Total subsidy outlays	-193	-163	-163
<b>Administrative expense data:</b>			
3510 Budget authority	11		43
3590 Outlays from new authority	11		43

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	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.09 Administrative expenses, salaries and expenses			43
10.00 Total new obligations (object class 25.2)			43
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross)			43
23.95 Total new obligations			-43
<b>New budget authority (gross), detail:</b>			
<b>Discretionary:</b>			
40.20 Appropriation (special fund)			43
<b>Change in obligated balances:</b>			
73.10 Total new obligations			43
73.20 Total outlays (gross)			-43
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority			43
<b>Net budget authority and outlays:</b>			
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	2007 actual	2008 est.	2009 est.
<b>Administrative expense data:</b>			
3510 Budget authority			43
3590 Outlays from new authority			43

The Budget proposes to consolidate all administrative spending of the Government National Mortgage Association (GNMA) under this account. This will result in better oversight of spending, allow for more transparent analysis of

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

spending and differentiate between administrative and credit transactions. As a result, spending will increase in this account and decrease in the GNMA Liquidating Account with no net effect on discretionary spending.

GUARANTEES OF MORTGAGE-BACKED SECURITIES FINANCING  
ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4240-0-3-371	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.03 Advances and other .....	30	60	69
00.04 Operating expenses .....	44	42	42
00.91 Direct Program by Activities—Subtotal (1 level)	74	102	111
08.01 Payment to receipt account for negative subsidy .....	192	163	163
10.00 Total new obligations .....	266	265	274
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	1,142	1,326	1,516
22.00 New financing authority (gross) .....	450	455	484
23.90 Total budgetary resources available for obligation	1,592	1,781	2,000
23.95 Total new obligations .....	-266	-265	-274
24.40 Unobligated balance carried forward, end of year	1,326	1,516	1,726
<b>New financing authority (gross), detail:</b>			
Mandatory:			
69.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	450	455	484
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	53	63	69
73.10 Total new obligations .....	266	265	274
73.20 Total financing disbursements (gross) .....	-256	-259	-269
74.40 Obligated balance, end of year .....	63	69	74
<b>Outlays (gross), detail:</b>			
87.00 Total financing disbursements (gross) .....	256	259	269
<b>Offsets:</b>			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.25 Interest on uninvested funds .....	-68	-70	-76
88.40 Guarantee Fees .....	-273	-275	-294
88.40 Commitment and other fees .....	-71	-64	-66
88.40 Multiclass fees .....	-14	-16	-17
88.40 Repayment of advances .....	-19	-25	-26
88.40 Servicing Fees .....	-1	-1	-1
88.40 Repayment on Mortgages .....	-4	-4	-4
88.90 Total, offsetting collections (cash) .....	-450	-455	-484
<b>Net financing authority and financing disbursements:</b>			
89.00 Financing authority .....			
90.00 Financing disbursements .....	-194	-196	-215

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4240-0-3-371	2007 actual	2008 est.	2009 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders .....	200,000	200,000	200,000
2121 Limitation available from carry-forward .....	200,000	200,000	200,000
2142 Uncommitted loan guarantee limitation .....	-114,929	-122,600	-122,600
2143 Uncommitted limitation carried forward .....	-200,000	-200,000	-200,000
2150 Total guaranteed loan commitments .....	85,071	77,400	77,400
2199 Guaranteed amount of guaranteed loan commitments	85,071	77,400	77,400
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	409,908	427,566	445,419

2231 Disbursements of new guaranteed loans .....	85,071	77,400	120,000
2251 Repayments and prepayments .....	-67,413	-59,547	-88,901
2290 Outstanding, end of year .....	427,566	445,419	476,518
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	427,566	445,419	476,518

Balance Sheet (in millions of dollars)

Identification code 86-4240-0-3-371	2006 actual	2007 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	1,195	1,389
1206 Non-Federal assets: Receivables, net .....	26	26
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross .....	34	32
1405 Allowance for subsidy cost (-) .....	-12	-16
1499 Net present value of assets related to direct loans .....	22	16
1803 Other Federal assets: Property, plant and equipment, net .....	363	426
1999 Total assets .....	1,606	1,857
<b>LIABILITIES:</b>		
Non-Federal liabilities:		
2201 Accounts payable .....	77	87
2207 Other .....	393	452
2999 Total liabilities .....	470	539
<b>NET POSITION:</b>		
3300 Cumulative results of operations .....	1,136	1,318
3999 Total net position .....	1,136	1,318
4999 Total liabilities and net position .....	1,606	1,857

GUARANTEES OF MORTGAGE-BACKED SECURITIES LIQUIDATING  
ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4238-0-3-371	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Administrative contract expenses .....	42	54	43
Operating expenses			
00.03 Servicing expenses .....	8	3	10
00.91 Total operating expenses .....	50	57	53
Capital investment			
01.01 Advances of guaranty payments .....	3	30	25
10.00 Total new obligations .....	53	87	78
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	8,365	8,727	9,133
22.00 New budget authority (gross) .....	415	493	495
23.90 Total budgetary resources available for obligation	8,780	9,220	9,628
23.95 Total new obligations .....	-53	-87	-78
24.40 Unobligated balance carried forward, end of year	8,727	9,133	9,550
<b>New budget authority (gross), detail:</b>			
Mandatory:			
60.00 Appropriation .....		43	43
Spending authority from offsetting collections:			
69.00 Offsetting collections (cash) .....	418	450	452
69.10 Change in uncollected customer payments from Federal sources (unexpired) .....	-3		
69.90 Spending authority from offsetting collections (total mandatory) .....	415	450	452
70.00 Total new budget authority (gross) .....	415	493	495
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	-21	-12	21
73.10 Total new obligations .....	53	87	78
73.20 Total outlays (gross) .....	-47	-54	-49
74.00 Change in uncollected customer payments from Federal sources (unexpired) .....	3		

74.00	Change in uncollected customer payments from Federal sources (unexpired)			
74.40	Obligated balance, end of year	-12	21	50
<b>Outlays (gross), detail:</b>				
86.97	Outlays from new mandatory authority	47	54	49
<b>Offsets:</b>				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.20	Interest on Federal securities	-414	-440	-442
88.40	Repayments of guaranteed payments	-2	-5	-6
88.40	Repayments on mortgages		-1	
88.40	Repayments on mortgages	-2	-4	-4
88.90	Total, offsetting collections (cash)	-418	-450	-452
Against gross budget authority only:				
88.95	Change in uncollected customer payments from Federal sources (unexpired)	3		
<b>Net budget authority and outlays:</b>				
89.00	Budget authority		43	43
90.00	Outlays	-371	-396	-403
<b>Memorandum (non-add) entries:</b>				
92.01	Total investments, start of year: Federal securities: Par value	8,385	8,759	9,134
92.02	Total investments, end of year: Federal securities: Par value	8,759	9,134	9,550

**Summary of Budget Authority and Outlays**

(in millions of dollars)

	2007 actual	2008 est.	2009 est.
<b>Enacted/requested:</b>			
Budget Authority		43	43
Outlays	-371	-396	-403
<b>Legislative proposal, not subject to PAYGO:</b>			
Budget Authority			-43
Outlays			-43
<b>Total:</b>			
Budget Authority		43	
Outlays	-371	-396	-446

**Status of Direct Loans (in millions of dollars)**

Identification code 86-4238-0-3-371	2007 actual	2008 est.	2009 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	7	8	20
1232 Disbursements: Purchase of loans assets from the public	3	30	25
1252 Repayments: Proceeds from loan asset sales to the public or discounted	-1	-6	-6
1263 Write-offs for default: Direct loans	-1	-12	-13
1290 Outstanding, end of year	8	20	26

**Status of Guaranteed Loans (in millions of dollars)**

Identification code 86-4238-0-3-371	2007 actual	2008 est.	2009 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	67	53	39
2251 Repayments and prepayments	-14	-14	-12
2290 Outstanding, end of year	53	39	27
<b>Memorandum:</b>			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	53	39	27

**Balance Sheet (in millions of dollars)**

Identification code 86-4238-0-3-371	2006 actual	2007 actual
<b>ASSETS:</b>		
Federal assets:		
Investments in US securities:		
1102 Treasury securities, par	8,358	8,736
1106 Receivables, net	56	53
1206 Non-Federal assets: Receivables, net	10	11

1601 Direct loans, gross	8	8
1603 Allowance for estimated uncollectible loans and interest (-)	-7	-15
1699 Value of assets related to direct loans	1	-7
1901 Other Federal assets: Other assets		17
1999 Total assets	8,425	8,810
<b>LIABILITIES:</b>		
Non-Federal liabilities:		
2201 Accounts payable	35	41
2207 Other	509	510
2999 Total liabilities	544	551
<b>NET POSITION:</b>		
3300 Cumulative results of operations	7,881	8,259
3999 Total net position	7,881	8,259
4999 Total liabilities and net position	8,425	8,810

**Object Classification (in millions of dollars)**

Identification code 86-4238-0-3-371	2007 actual	2008 est.	2009 est.
<b>Direct obligations:</b>			
25.2 Other services	53	54	49
33.0 Investments and loans		33	29
99.9 Total new obligations	53	87	78

**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	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
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:**

<b>Discretionary:</b>			
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
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**Net budget authority and outlays:**

89.00 Budget authority			-43
90.00 Outlays			-43

**Memorandum (non-add) entries:**

92.01 Total investments, start of year: Federal securities: Par value			
92.02 Total investments, end of year: Federal securities: Par value			1

**Balance Sheet (in millions of dollars)**

Identification code 86-4238-2-3-371	2006 actual	2007 actual
<b>ASSETS:</b>		
Federal assets: Investments in US securities:		
1102 Treasury securities, par		43
1999 Total assets		43
<b>NET POSITION:</b>		
3300 Cumulative results of operations		43
3999 Total net position		43

GUARANTEES OF MORTGAGE-BACKED SECURITIES LIQUIDATING  
ACCOUNT—Continued

Balance Sheet (in millions of dollars)—Continued

Identification code 86-4238-2-3-371	2006 actual	2007 actual
4999 Total liabilities and net position .....		43

POLICY DEVELOPMENT AND RESEARCH

Federal Funds

RESEARCH AND TECHNOLOGY

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1 et seq.), including carrying out the functions of the Secretary of Housing and Urban Development under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, **[\$51,440,000]** *\$54,700,000*, to remain available until September 30, **[2009: Provided,** That of the total amount provided under this heading, up to \$5,000,000 shall be for the Partnership for Advancing Technology in Housing Initiative] **2010: Provided further,** That of the funds made available under this heading, **[\$23,000,000]** *\$13,500,000* is for grants pursuant to section 107 of the Housing and Community Development Act of 1974 (42 U.S.C. 5307): *Provided further,* That 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, 2008.*)

Program and Financing (in millions of dollars)

Identification code 86-0108-0-1-451	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Housing Research .....	31	24	41
00.02 PATH .....	2	5	
00.04 University Programs .....	40	24	14
09.01 Reimbursable program .....	6		
10.00 Total new obligations .....	79	53	55
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	27	3	1
22.00 New budget authority (gross) .....	55	51	55
23.90 Total budgetary resources available for obligation	82	54	56
23.95 Total new obligations .....	-79	-53	-55
24.40 Unobligated balance carried forward, end of year	3	1	1
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	50	51	55
40.36 Unobligated balance permanently reduced .....	-1		
43.00 Appropriation (total discretionary) .....	49	51	55
58.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	6		
70.00 Total new budget authority (gross) .....	55	51	55
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	24	63	57
73.10 Total new obligations .....	79	53	55
73.20 Total outlays (gross) .....	-39	-59	-59
73.40 Adjustments in expired accounts (net) .....	-1		
74.40 Obligated balance, end of year .....	63	57	53
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	21	20	22
86.93 Outlays from discretionary balances .....	18	39	37
87.00 Total outlays (gross) .....	39	59	59
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-6		

Net budget authority and outlays:

89.00 Budget authority .....	49	51	55
90.00 Outlays .....	33	59	59

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 2009, the research program includes funds for HUD program evaluations, for work related to the removal of barriers to affordable housing, and critical research and studies. Program evaluations provide critical information for PART reviews, as well as regular periodic reviews of major HUD programs. National housing surveys will continue in 2009, including the American Housing Survey, the Survey of New Home Sales and Completions, the Survey of Market Absorption of Multifamily Units and the Survey of New Manufactured Housing Placements. Other significant activities in 2009 include: (1) providing research and policy analysis support to the Secretary in connection with his role in regulating the Government-Sponsored Enterprises, Fannie Mae and Freddie Mac; (2) providing research and policy analysis support for the Real Estate Settlements Procedures Act (RESPA), FHA Reform, CDBG formula effectiveness, predatory lending, and asset management; and (3) continuing research on low-income and minority homeownership.

Set-aside funds are not requested for the Partnership for Advancing Technology (PATH) program in 2009, 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.

Since 2006, the University Partnership Programs have been 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 help form partnerships with the communities in which they are located, with resources used for various neighborhood development and revitalization activities. The University Partnership Programs include the following: Alaska Native/ Native Hawaiian Institutions program, Tribal Colleges and Universities program, Historically Black Colleges and Universities program, and the Hispanic Serving Institutions program.

Object Classification (in millions of dollars)

Identification code 86-0108-0-1-451	2007 actual	2008 est.	2009 est.
Direct obligations:			
25.2 Other services .....	33	29	41
41.0 Grants, subsidies, and contributions .....	40	24	14
99.0 Direct obligations .....	73	53	55
99.0 Reimbursable obligations .....	6		
99.9 Total new obligations .....	79	53	55

FAIR HOUSING AND EQUAL OPPORTUNITY

Federal Funds

FAIR HOUSING ACTIVITIES

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and section



561 of the Housing and Community Development Act of 1987, as amended, **[\$50,000,000]** *\$51,000,000*, to remain available until September 30, **[2009]** *2010*, of which **[\$24,000,000]** *\$26,000,000* shall be to carry out activities pursuant to such section 561 (*of which up to \$6,000,000 may be used for the Housing Discrimination Study of 2010*): *Provided*, That notwithstanding 31 U.S.C. 3302, the Secretary may assess and collect fees to cover the costs of the Fair Housing Training Academy, and may use such funds to provide such training: *Provided further*, That no funds made available under this heading shall be used to lobby the executive or legislative branches of the Federal Government in connection with a specific contract, grant or loan: *Provided further*, That of the funds made available under this heading, \$380,000 shall be available to the Secretary of Housing and Urban Development for the creation and promotion of translated materials and other programs that support the assistance of persons with limited English proficiency in utilizing the services provided by the Department of Housing and Urban Development. (*Department of Housing and Urban Development Appropriations Act, 2008.*)

**Program and Financing** (in millions of dollars)

Identification code 86-0144-0-1-751	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Fair housing assistance .....	26	30	25
00.02 Fair housing initiatives .....	21	25	26
10.00 Total new obligations (object class 41.0) .....	47	55	51
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	6	5	.....
22.00 New budget authority (gross) .....	46	50	51
23.90 Total budgetary resources available for obligation .....	52	55	51
23.95 Total new obligations .....	-47	-55	-51
24.40 Unobligated balance carried forward, end of year .....	5	.....	.....
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	46	50	51
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	63	62	70
73.10 Total new obligations .....	47	55	51
73.20 Total outlays (gross) .....	-47	-47	-50
73.40 Adjustments in expired accounts (net) .....	-1	.....	.....
74.40 Obligated balance, end of year .....	62	70	71
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	.....	5	5
86.93 Outlays from discretionary balances .....	47	42	45
87.00 Total outlays (gross) .....	47	47	50
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	46	50	51
90.00 Outlays .....	47	47	50

The Budget proposes \$51 million for fair housing activities to support efforts to end housing discrimination. Of the amount requested, \$25 million is for the Fair Housing Assistance Program (FHAP) and \$26 million is for the Fair Housing Initiatives Program (FHIP).

Up to \$6 million is provided for the Housing Discrimination Study (HDS) of 2010, which will begin research activities in 2009. This study will estimate the national levels of discrimination faced by African-Americans, Hispanics, and Asian and Pacific Islander renters and homebuyers. Further, it will provide comparable data to determine any changes in the level of discrimination from the 2000 HDS Study, and will measure FHIP's effectiveness in providing fair housing enforcement.

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 funding

State and local fair housing organizations to meet the needs of currently underserved populations. It will also address the persistently high rate of discrimination against minorities as identified by HUD's 2000 HDS. It is estimated that in 2009 there will be two new State and local agencies with laws equivalent to the Fair Housing Act, increasing the total number to 113 agencies.

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

This funding request recognizes the priority of fighting housing discrimination in an effective and efficient manner. The Budget also reflects activities addressing predatory lending and continued support for the rebuilding efforts in hurricane-impacted communities in the Gulf Coast region. Combined, these activities are key elements of the Administration's efforts to expand homeownership opportunities and access to housing free from discrimination.

**OFFICE OF LEAD HAZARD CONTROL AND HEALTHY HOMES**

*Federal Funds*

LEAD HAZARD REDUCTION

For the Lead Hazard Reduction Program, as authorized by section 1011 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, **[\$145,000,000]** *\$116,000,000*, to remain available until September 30, **[2009]** *2010*, of which **[\$8,800,000]** *not less than \$14,600,000* 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: *Provided further*, That each recipient of funds provided under the second proviso shall make a matching contribution in an amount not less than 25 percent: *Provided further*, That the Secretary may waive the matching requirement cited in the preceding proviso on a case by case basis if the Secretary determines that such a waiver is necessary to advance the purposes of this program: *Provided further*, That each applicant shall submit a detailed plan and strategy that demonstrates adequate capacity that is acceptable to the Secretary to carry out the proposed use of funds pursuant to a notice of funding availability: *Provided further*, That of the total amount made available under this heading, \$2,000,000 shall be available for the Big Buy Program to be managed by the Office of Healthy Homes and Lead Hazard Control: *Provided further*, That amounts made available under this heading in prior appropriations Acts, and that still remain available, may be used for any purpose under this heading notwithstanding the purpose for which such amounts were appropriated. (*Department of Housing and Urban Development Appropriations Act, 2008.*)

## LEAD HAZARD REDUCTION—Continued

## Program and Financing (in millions of dollars)

Identification code 86-0174-0-1-451	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Lead abatement .....	152	175	175
10.00 Total new obligations (object class 41.0) .....	152	175	175
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	151	149	119
22.00 New budget authority (gross) .....	150	145	116
22.10 Resources available from recoveries of prior year obligations .....	1		
23.90 Total budgetary resources available for obligation	302	294	235
23.95 Total new obligations .....	-152	-175	-175
23.98 Unobligated balance expiring or withdrawn .....	-1		
24.40 Unobligated balance carried forward, end of year	149	119	60
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	150	145	116
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	342	348	368
73.10 Total new obligations .....	152	175	175
73.20 Total outlays (gross) .....	-147	-155	-166
73.40 Adjustments in expired accounts (net) .....	2		
73.45 Recoveries of prior year obligations .....	-1		
74.40 Obligated balance, end of year .....	348	368	377
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....		3	2
86.93 Outlays from discretionary balances .....	147	152	164
87.00 Total outlays (gross) .....	147	155	166
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	150	145	116
90.00 Outlays .....	147	155	166

Title X of the Housing and Community Development Act of 1992 (Public Law 102-550), known as the Residential Lead-Based Paint Hazard Reduction Act, authorized the Secretary to establish the Lead-Based Paint Hazard Control Grant Program. The primary purpose of the program is to reduce the exposure of young children to lead-based paint and other environmental hazards in their homes, including protecting them from permanent developmental problems and asthma, and exposure to pesticides and carbon monoxide.

The program is a major part of a 10-year strategy to eliminate by 2010 the number one environmental disease impacting children, lead poisoning. The Budget includes \$92.6 million for HUD's Lead Hazard Control Program competitive grants, \$8.8 million for the Technical Support Program, and \$14.6 million for the Healthy Homes Initiative. The budget includes a provision that would allow the transfer of unobligated balances and recaptured funds from undersubscribed competitive programs to other competitive programs experiencing oversubscription. It also includes language granting the Secretary authority to carry out investigations, administer oaths, and subpoena documents related to lead hazard investigations.

The Lead Hazard Control Grant Program provides grants of \$1 million to \$3 million to State and local governments and Indian tribes for control of lead-based paint hazards in low-income rental and owner-occupied housing. The grants are also designed to stimulate the development of a housing maintenance and rehabilitation workforce trained in lead-safe work practices and a certified hazard evaluation and control industry. In awarding grants, HUD promotes the use of new, low-cost approaches to hazard control that can be replicated across the nation. Newly-established programmatic efficiency

measures, such as mitigation cost estimates, will help HUD determine best practices and maximize resources.

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

The Office of Healthy Homes and Lead Hazard Control will continue its Technical Support Program, which will include public education; 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

## ADMINISTRATION, OPERATIONS AND MANAGEMENT

For necessary salaries and expenses for administration, operations and management for the Department of Housing and Urban Development, [\$493,630,000] \$546,217,500, of which not to exceed [\$69,070,000] \$76,776,800 shall be available for the personnel compensation and benefits of the Office of Administration; not to exceed [\$10,630,000] \$11,028,100 shall be available for the personnel compensation and benefits of the Office of Departmental Operations and Coordination; not to exceed [\$51,300,000] \$51,020,100 shall be available for the personnel compensation and benefits of the Office of Field Policy and Management; not to exceed [\$12,370,000] \$12,943,300 shall be available for the personnel compensation and benefits of the Office of the Chief Procurement Officer; not to exceed [\$31,600,000] \$33,766,400 shall be available for the personnel compensation and benefits of the [remaining staff in the] Office of the Chief Financial Officer; not to exceed [\$80,670,000] \$84,834,800 shall be available for the personnel compensation and benefits of the [remaining staff of the] Office of the General Counsel; not to exceed [\$2,810,000] \$2,909,700 shall be available for the personnel compensation and benefits of the Office of Departmental Equal Employment Opportunity; not to exceed [\$1,160,000] \$1,200,400 shall be available for the personnel compensation and benefits for the Center for Faith-Based and Community Initiatives; not to exceed \$10,059,200 shall be available for the personnel compensation and benefits of the Office of Departmental Management; and not to exceed [\$234,020,000] \$261,678,700 shall be available for non-personnel expenses of the Department of Housing and Urban Development: *Provided*, That, funds provided under [the] *this* heading may be used for necessary administrative and non-administrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including purchase of uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901-5902; hire of passenger motor vehicles; services as authorized by 5 U.S.C. 3109: *Provided further*, That notwithstanding any other provision of law, funds appropriated under this heading may be used for advertising and promotional activities that support the housing mission area: *Provided further*, That the Secretary of Housing and Urban Development is authorized to transfer funds appropriated for any office included in Administration, Operations and Management to any other office included in Administration, Operations and Management [only after such transfer has been submitted to, and received prior written approval by, the House and Senate Committees on Appropriations]: *Provided further*, That no appropriation for any office shall be increased or decreased by more than 10 percent by all such transfers *unless written notification to the House and Senate Committees on Appropriations is provided in advance*: *Provided further*, That not to exceed \$25,000 of the amount made available under this paragraph for the Office of Departmental Management shall be available for official reception and representation expenses as the Secretary may determine. (Department of Housing and Urban Development Appropriations Act, 2008.)

**Program and Financing** (in millions of dollars)

Identification code 86-0335-0-1-999	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Personnel costs .....		205	224
00.02 Benefits .....		55	60
00.03 Non-personnel costs .....		234	262
10.00 Total new obligations .....		494	546
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....		494	546
23.95 Total new obligations .....		-494	-546
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....		494	546
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....			113
73.10 Total new obligations .....		494	546
73.20 Total outlays (gross) .....		-381	-534
74.40 Obligated balance, end of year .....		113	125
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....		381	421
86.93 Outlays from discretionary balances .....			113
87.00 Total outlays (gross) .....		381	534
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....		494	546
90.00 Outlays .....		381	534

The Administration, Operations and Management (AOM) account was created by the Consolidated Appropriations Act, 2008, which created nine new administrative expense accounts across the Department. As the largest single administrative account, AOM funds many central Departmental functions, including: the Office of Administration, the Office of the Chief Financial Officer, the Office of the Chief Procurement Officer, the Office of Departmental Operations and Coordination, the Office of the General Counsel, the Office of Field Policy Management, and several other offices across the Department, including the Office of the Secretary. The AOM account also serves as the primary funding source for all non-personnel expenses, such as travel, overhead expenses (e.g., rent and utilities), contract services, and other functions. The Office of the Chief Financial Officer will provide funds control oversight and accountability by administering the central non-personnel expense funds.

**Object Classification** (in millions of dollars)

Identification code 86-0335-0-1-999	2007 actual	2008 est.	2009 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....		193	212
11.3 Other than full-time permanent .....		3	3
11.5 Other personnel compensation .....		9	9
11.9 Total personnel compensation .....		205	224
12.1 Civilian personnel benefits .....		55	60
21.0 Travel and transportation of persons .....		16	16
23.1 Rental payments to GSA .....		100	103
23.3 Communications, utilities, and miscellaneous charges .....		32	33
24.0 Printing and reproduction .....		3	4
25.2 Other services .....		30	52
25.4 Operation and maintenance of facilities .....		44	45
25.7 Operation and maintenance of equipment .....		1	1
26.0 Supplies and materials .....		5	5
31.0 Equipment .....		3	3
99.9 Total new obligations .....		494	546

**Employment Summary**

Identification code 86-0335-0-1-999	2007 actual	2008 est.	2009 est.
<b>Direct:</b>			
1001 Civilian full-time equivalent employment .....		2,099	2,123

**PUBLIC AND INDIAN HOUSING PERSONNEL COMPENSATION AND BENEFITS**

For necessary personnel compensation and benefits expenses of the Office of Public and Indian Housing, **[\$173,310,000]** \$190,340,100. (Department of Housing and Urban Development Appropriations Act, 2008.)

**Program and Financing** (in millions of dollars)

Identification code 86-0337-0-1-604	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Personnel costs .....		137	150
00.02 Benefits .....		36	40
10.00 Total new obligations .....		173	190
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....		173	190
23.95 Total new obligations .....		-173	-190
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....		173	190
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....			7
73.10 Total new obligations .....		173	190
73.20 Total outlays (gross) .....		-166	-190
74.40 Obligated balance, end of year .....		7	7
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....		166	183
86.93 Outlays from discretionary balances .....			7
87.00 Total outlays (gross) .....		166	190
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....		173	190
90.00 Outlays .....		166	190

**Object Classification** (in millions of dollars)

Identification code 86-0337-0-1-604	2007 actual	2008 est.	2009 est.
<b>Direct obligations:</b>			
11.1 Personnel compensation: Full-time permanent .....		137	150
12.1 Civilian personnel benefits .....		36	40
99.9 Total new obligations .....		173	190

**Employment Summary**

Identification code 86-0337-0-1-604	2007 actual	2008 est.	2009 est.
<b>Direct:</b>			
1001 Civilian full-time equivalent employment .....		1,501	1,589

**COMMUNITY PLANNING AND DEVELOPMENT PERSONNEL COMPENSATION AND BENEFITS**

For necessary personnel compensation and benefits expenses of the Office of Community Planning and Development mission area, **[\$90,310,000]** \$95,035,400. (Department of Housing and Urban Development Appropriations Act, 2008.)

**Program and Financing** (in millions of dollars)

Identification code 86-0338-0-1-451	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			

COMMUNITY PLANNING AND DEVELOPMENT PERSONNEL  
COMPENSATION AND BENEFITS—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 86-0338-0-1-451	2007 actual	2008 est.	2009 est.
00.01 Personnel benefits .....		71	75
00.02 Benefits .....		19	20
10.00 Total new obligations .....		90	95
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....		90	95
23.95 Total new obligations .....		-90	-95
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....		90	95
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....			3
73.10 Total new obligations .....		90	95
73.20 Total outlays (gross) .....		-87	-94
74.40 Obligated balance, end of year .....		3	4
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....		87	91
86.93 Outlays from discretionary balances .....			3
87.00 Total outlays (gross) .....		87	94
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....		90	95
90.00 Outlays .....		87	94

Object Classification (in millions of dollars)

Identification code 86-0338-0-1-451	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent .....		71	75
12.1 Civilian personnel benefits .....		19	20
99.9 Total new obligations .....		90	95

Employment Summary

Identification code 86-0338-0-1-451	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment .....		807	818

HOUSING PERSONNEL COMPENSATION AND BENEFITS

For necessary personnel compensation and benefits expenses of the Office of Housing, **[\$334,450,000] \$354,298,500.** (Department of Housing and Urban Development Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 86-0334-0-1-604	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Personnel costs .....		264	280
00.02 Benefits .....		70	74
10.00 Total new obligations .....		334	354
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....		334	354
23.95 Total new obligations .....		-334	-354
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....		334	354
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....			13
73.10 Total new obligations .....		334	354

73.20 Total outlays (gross) .....		-321	-353
74.40 Obligated balance, end of year .....		13	14

Outlays (gross), detail:

86.90 Outlays from new discretionary authority .....		321	340
86.93 Outlays from discretionary balances .....			13
87.00 Total outlays (gross) .....		321	353

Net budget authority and outlays:

89.00 Budget authority .....		334	354
90.00 Outlays .....		321	353

Object Classification (in millions of dollars)

Identification code 86-0334-0-1-604	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent .....		264	280
12.1 Civilian personnel benefits .....		70	74
99.9 Total new obligations .....		334	354

Employment Summary

Identification code 86-0334-0-1-604	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment .....		3,084	3,141

OFFICE OF THE GOVERNMENT NATIONAL MORTGAGE ASSOCIATION  
PERSONNEL COMPENSATION AND BENEFITS

For necessary personnel compensation and benefits expenses of the Office of the Government National Mortgage Association, **[\$8,250,000] \$8,559,000.** (Department of Housing and Urban Development Appropriations Act, 2008.)

Program and Financing (in millions of dollars)

Identification code 86-0336-0-1-371	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Personnel costs .....		6	7
00.02 Benefits .....		2	2
10.00 Total new obligations .....		8	9
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....		8	9
23.95 Total new obligations .....		-8	-9

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation .....		8	9

Change in obligated balances:

73.10 Total new obligations .....		8	9
73.20 Total outlays (gross) .....		-8	-9
74.40 Obligated balance, end of year .....			

Outlays (gross), detail:

86.90 Outlays from new discretionary authority .....		8	9
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....		8	9
90.00 Outlays .....		8	9

Object Classification (in millions of dollars)

Identification code 86-0336-0-1-371	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent .....		6	7
12.1 Civilian personnel benefits .....		2	2
99.9 Total new obligations .....		8	9

**Employment Summary**

Identification code 86-0336-0-1-371	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment .....		69	69

**POLICY DEVELOPMENT AND RESEARCH PERSONNEL COMPENSATION AND BENEFITS**

For necessary personnel compensation and benefits expenses of the Office of Policy Development and Research, **[\$16,950,000]** \$19,829,400. (Department of Housing and Urban Development Appropriations Act, 2008.)

**Program and Financing (in millions of dollars)**

Identification code 86-0339-0-1-451	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Personnel costs .....		13	16
00.02 Benefits .....		4	4
10.00 Total new obligations .....		17	20
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....		17	20
23.95 Total new obligations .....		-17	-20

**New budget authority (gross), detail:**

Discretionary:			
40.00 Appropriation .....		17	20

**Change in obligated balances:**

73.10 Total new obligations .....		17	20
73.20 Total outlays (gross) .....		-16	-20

**Outlays (gross), detail:**

86.90 Outlays from new discretionary authority .....		16	19
86.93 Outlays from discretionary balances .....			1
87.00 Total outlays (gross) .....		16	20

**Net budget authority and outlays:**

89.00 Budget authority .....		17	20
90.00 Outlays .....		16	20

**Object Classification (in millions of dollars)**

Identification code 86-0339-0-1-451	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent .....		13	16
12.1 Civilian personnel benefits .....		4	4
99.9 Total new obligations .....		17	20

**Employment Summary**

Identification code 86-0339-0-1-451	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment .....		133	146

**FAIR HOUSING AND EQUAL OPPORTUNITY PERSONNEL COMPENSATION AND BENEFITS**

For necessary personnel compensation and benefits expenses of the Office of Fair Housing and Equal Opportunity, **[\$63,140,000]** \$67,905,100. (Department of Housing and Urban Development Appropriations Act, 2008.)

**Program and Financing (in millions of dollars)**

Identification code 86-0340-0-1-751	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Personnel costs .....		50	54
00.02 Benefits .....		13	14

10.00 Total new obligations .....	63	68
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**Budgetary resources available for obligation:**

22.00 New budget authority (gross) .....	63	68
23.95 Total new obligations .....	-63	-68

**New budget authority (gross), detail:**

Discretionary:		
40.00 Appropriation .....	63	68

**Change in obligated balances:**

72.40 Obligated balance, start of year .....		2
73.10 Total new obligations .....	63	68
73.20 Total outlays (gross) .....	-61	-67
74.40 Obligated balance, end of year .....	2	3

**Outlays (gross), detail:**

86.90 Outlays from new discretionary authority .....	61	65
86.93 Outlays from discretionary balances .....		2
87.00 Total outlays (gross) .....	61	67

**Net budget authority and outlays:**

89.00 Budget authority .....	63	68
90.00 Outlays .....	61	67

**Object Classification (in millions of dollars)**

Identification code 86-0340-0-1-751	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent .....		50	54
12.1 Civilian personnel benefits .....		13	14
99.9 Total new obligations .....		63	68

**Employment Summary**

Identification code 86-0340-0-1-751	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment .....		586	600

**OFFICE OF HEALTHY HOMES AND LEAD HAZARD CONTROL PERSONNEL COMPENSATION AND BENEFITS**

For necessary personnel compensation and benefits expenses of the Office of Healthy Homes and Lead Hazard Control, **[\$6,980,000]** \$7,815,000. (Department of Housing and Urban Development Appropriations Act, 2008.)

**Program and Financing (in millions of dollars)**

Identification code 86-0341-0-1-451	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Personnel costs .....		6	6
00.02 Benefits .....		1	2
10.00 Total new obligations .....		7	8
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....		7	8
23.95 Total new obligations .....		-7	-8

**New budget authority (gross), detail:**

Discretionary:		
40.00 Appropriation .....	7	8

**Change in obligated balances:**

73.10 Total new obligations .....	7	8
73.20 Total outlays (gross) .....	-7	-8

**Outlays (gross), detail:**

86.90 Outlays from new discretionary authority .....	7	8
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**Net budget authority and outlays:**

89.00 Budget authority .....	7	8
90.00 Outlays .....	7	8

PERSONNEL COMPENSATION AND BENEFITS—Continued

Object Classification (in millions of dollars)

Identification code 86-0341-0-1-451	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent .....		6	6
12.1 Civilian personnel benefits .....		1	2
99.9 Total new obligations .....		7	8

Employment Summary

Identification code 86-0341-0-1-451	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment .....		50	54

【EXECUTIVE DIRECTION】

【For necessary salaries and expenses for Executive Direction, \$24,980,000, of which not to exceed \$3,930,000 shall be available for the immediate Office of the Secretary and Deputy Secretary; not to exceed \$1,580,000 shall be available for the Office of Hearings and Appeals; not to exceed \$510,000 shall be available for the Office of Small and Disadvantaged Business Utilization, not to exceed \$725,000 shall be available for the immediate Office of the Chief Financial Officer; not to exceed \$1,155,000 shall be available for the immediate Office of the General Counsel; not to exceed \$2,670,000 shall be available to the Office of the Assistant Secretary for Congressional and Intergovernmental Relations; not to exceed \$2,520,000 shall be for the Office of the Assistant Secretary for Public Affairs; not to exceed \$1,630,000 shall be available for the Office of the Assistant Secretary for Administration; not to exceed \$1,620,000 shall be available to the Office of the Assistant Secretary for Public and Indian Housing; not to exceed \$1,520,000 shall be available to the Office of the Assistant Secretary for Community Planning and Development; not to exceed \$3,600,000 shall be available to the Office of the Assistant Secretary for Housing, Federal Housing Commissioner; not to exceed \$1,570,000 shall be available to the Office of the Assistant Secretary for Policy Development and Research; and not to exceed \$1,950,000 shall be available to the Office of the Assistant Secretary for Fair Housing and Equal Opportunity: *Provided*, That the Secretary of the Department of Housing and Urban Development is authorized to transfer funds appropriated for any office funded under this heading to any other office funded under this heading following the written notification to the House and Senate Committees on Appropriations: *Provided further*, That no appropriation for any office shall be increased or decreased by more than 5 percent by all such transfers: *Provided further*, That notice of any change in funding greater than 5 percent shall be submitted for prior approval to the House and Senate Committees on Appropriations: *Provided further*, That the Secretary shall provide the Committees on Appropriations quarterly written notification regarding the status of pending congressional reports: *Provided further*, That not to exceed \$25,000 of the amount made available under this paragraph for the immediate Office of the Secretary shall be available for official reception and representation expenses as the Secretary may determine.】  
*(Department of Housing and Urban Development Appropriations Act, 2008.)*

Program and Financing (in millions of dollars)

Identification code 86-0333-0-1-604	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Personnel costs .....		18	
00.02 Benefits .....		5	
00.03 Non-personnel costs .....		2	
10.00 Total new obligations .....		25	
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....		25	
23.95 Total new obligations .....		-25	
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....		25	

Change in obligated balances:

73.10 Total new obligations .....	25		
73.20 Total outlays (gross) .....	-24		-1

Outlays (gross), detail:

86.90 Outlays from new discretionary authority .....	24		
86.93 Outlays from discretionary balances .....			1
87.00 Total outlays (gross) .....	24		1

Net budget authority and outlays:

89.00 Budget authority .....	25		
90.00 Outlays .....	24		1

The Executive Direction account was created by the Consolidated Appropriations Act, 2008, and contains a number of obligation sub-functions covering various high-level management offices and central administrative functions. The Budget proposes to eliminate this account for 2009, and instead spreads the relevant management offices' resources to their respective bureaus, with the remaining central functions moving to the Administration, Operations and Management account. The administrative burden and lack of flexibility afforded by the account outweighs potential management benefits.

Object Classification (in millions of dollars)

Identification code 86-0333-0-1-604	2007 actual	2008 est.	2009 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent .....		18	
12.1 Civilian personnel benefits .....		5	
21.0 Travel and transportation of persons .....		2	
99.9 Total new obligations .....		25	

Employment Summary

Identification code 86-0333-0-1-604	2007 actual	2008 est.	2009 est.
Direct:			
1001 Civilian full-time equivalent employment .....		170	

SALARIES AND EXPENSES

Program and Financing (in millions of dollars)

Identification code 86-0143-0-1-999	2007 actual	2008 est.	2009 est.
<b>Direct program:</b>			
00.01 Housing, mortgage credit, regulatory and energy conservation .....	506	4	
00.02 Community planning and development programs .....	89	3	3
00.03 Equal opportunity and research programs .....	92		
00.04 Departmental management, legal and audit services .....	116		
00.05 Field direction and administration .....	338		
09.01 Reimbursable program .....	8		
09.99 Total reimbursable program .....	8		
10.00 Total new obligations .....	1,149	7	3
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	10	14	7
22.00 New budget authority (gross) .....	1,162		
23.90 Total budgetary resources available for obligation .....	1,172	14	7
23.95 Total new obligations .....	-1,149	-7	-3
23.98 Unobligated balance expiring or withdrawn .....	-9		
24.40 Unobligated balance carried forward, end of year .....	14	7	4
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	581		
41.00 Transferred to other accounts .....	-2		
42.00 Transferred from other accounts .....	557		
43.00 Appropriation (total discretionary) .....	1,136		
50.00 Reappropriation .....	4		

58.00	Spending authority from offsetting collections: Offsetting collections (cash) .....	22		
70.00	Total new budget authority (gross) .....	1,162		
<b>Change in obligated balances:</b>				
72.40	Obligated balance, start of year .....	138	134	141
73.10	Total new obligations .....	1,149	7	3
73.20	Total outlays (gross) .....	-1,146		
73.40	Adjustments in expired accounts (net) .....	-7		
74.40	Obligated balance, end of year .....	134	141	144
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....	1,051		
86.93	Outlays from discretionary balances .....	95		
87.00	Total outlays (gross) .....	1,146		
<b>Offsets:</b>				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources .....	-22		
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	1,140		
90.00	Outlays .....	1,124		

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

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

**Object Classification** (in millions of dollars)

Identification code 86-0143-0-1-999	2007 actual	2008 est.	2009 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1	Full-time permanent .....	714	
11.3	Other than full-time permanent .....	3	
11.5	Other personnel compensation .....	9	
11.9	Total personnel compensation .....	726	
12.1	Civilian personnel benefits .....	194	
21.0	Travel and transportation of persons .....	16	1
23.1	Rental payments to GSA .....	96	
23.3	Communications, utilities, and miscellaneous charges .....	28	
24.0	Printing and reproduction .....	3	
25.2	Other services .....	23	6
25.4	Operation and maintenance of facilities .....	43	
25.7	Operation and maintenance of equipment .....	1	
26.0	Supplies and materials .....	5	
31.0	Equipment .....	3	
99.0	Direct obligations .....	1,138	7
99.0	Reimbursable obligations .....	11	
99.9	Total new obligations .....	1,149	7

**Employment Summary**

Identification code 86-0143-0-1-999	2007 actual	2008 est.	2009 est.
<b>Direct:</b>			
1001	Civilian full-time equivalent employment .....	8,286	
<b>Reimbursable:</b>			
2001	Civilian full-time equivalent employment .....	67	

**OFFICE OF INSPECTOR GENERAL**

For necessary salaries and expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, **[\$112,000,000: Provided, That the Inspector General shall have inde-**

pendent authority over all personnel issues within this office] **\$115,000,000.** (Department of Housing and Urban Development Appropriations Act, 2008.)

**Program and Financing** (in millions of dollars)

Identification code 86-0189-0-1-451	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01	Direct program .....	105	112
00.02	Gulf state recovery program .....	5	4
10.00	Total new obligations .....	110	116
<b>Budgetary resources available for obligation:</b>			
21.40	Unobligated balance carried forward, start of year .....	8	10
22.00	New budget authority (gross) .....	113	112
23.90	Total budgetary resources available for obligation .....	121	122
23.95	Total new obligations .....	-110	-116
23.98	Unobligated balance expiring or withdrawn .....	-1	
24.40	Unobligated balance carried forward, end of year .....	10	6
<b>New budget authority (gross), detail:</b>			
<b>Discretionary:</b>			
40.00	Appropriation .....	89	112
42.00	Transferred from other accounts .....	24	
43.00	Appropriation (total discretionary) .....	113	112
<b>Change in obligated balances:</b>			
72.40	Obligated balance, start of year .....	15	14
73.10	Total new obligations .....	110	116
73.20	Total outlays (gross) .....	-111	-117
74.40	Obligated balance, end of year .....	14	13
<b>Outlays (gross), detail:</b>			
86.90	Outlays from new discretionary authority .....	97	103
86.93	Outlays from discretionary balances .....	14	14
87.00	Total outlays (gross) .....	111	117
<b>Net budget authority and outlays:</b>			
89.00	Budget authority .....	113	112
90.00	Outlays .....	111	117

This appropriation provides agency wide audit and investigative functions to identify and correct management and administrative deficiencies that create conditions for existing or potential instances of fraud, waste and mismanagement. The audit function provides internal audit and contract audit. Internal audits review and evaluate all facets of agency operations. The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations. The Budget proposes \$115 million, an increase of 2.7 percent, to maintain the existing staff level.

**Object Classification** (in millions of dollars)

Identification code 86-0189-0-1-451	2007 actual	2008 est.	2009 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1	Full-time permanent .....	61	64
11.5	Other personnel compensation .....	5	5
11.9	Total personnel compensation .....	66	69
12.1	Civilian personnel benefits .....	15	15
21.0	Travel and transportation of persons .....	5	5
23.1	Rental payments to GSA .....	7	7
25.2	Other services .....	17	20
99.9	Total new obligations .....	110	116

**Employment Summary**

Identification code 86-0189-0-1-451	2007 actual	2008 est.	2009 est.
<b>Direct:</b>			
1001	Civilian full-time equivalent employment .....	632	650

**【OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT】**  
**【SALARIES AND EXPENSES】**

【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, \$66,000,000, 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, 2008: *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, 2008.*)

**Special and Trust Fund Receipts (in millions of dollars)**

Identification code 86-5272-0-2-371	2007 actual	2008 est.	2009 est.
01.00 Balance, start of year			
01.99 Balance, start of year			
<b>Receipts:</b>			
02.00 Office of Federal Housing Enterprise Oversight	66	66	67
02.01 Office of Federal Housing Enterprise Oversight—legislative proposal not subject to PAYGO			-67
02.99 Total receipts and collections	66	66	
04.00 Total: Balances and collections	66	66	
<b>Appropriations:</b>			
05.00 Office of Federal Housing Enterprise Oversight	-66	-66	-67
05.01 Office of Federal Housing Enterprise Oversight—legislative proposal not subject to PAYGO			67
05.99 Total appropriations	-66	-66	
07.99 Balance, end of year			

**Program and Financing (in millions of dollars)**

Identification code 86-5272-0-2-371	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Direct program	67	66	67
10.00 Total new obligations	67	66	67
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross)	66	66	67
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	67	66	67
23.95 Total new obligations	-67	-66	-67
24.40 Unobligated balance carried forward, end of year			
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.20 Appropriation (special fund)	66	66	67
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year	22	25	25
73.10 Total new obligations	67	66	67
73.20 Total outlays (gross)	-63	-66	-67
73.45 Recoveries of prior year obligations	-1		
74.40 Obligated balance, end of year	25	25	25
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority	46	57	57
86.93 Outlays from discretionary balances	17	9	10

87.00	Total outlays (gross)	63	66	67
<b>Net budget authority and outlays:</b>				
89.00	Budget authority	66	66	67
90.00	Outlays	63	66	67

**Summary of Budget Authority and Outlays**

	(in millions of dollars)		
	2007 actual	2008 est.	2009 est.
<b>Enacted/requested:</b>			
Budget Authority	66	66	67
Outlays	63	66	67
<b>Legislative proposal, not subject to PAYGO:</b>			
Budget Authority			-67
Outlays			-57
<b>Total:</b>			
Budget Authority	66	66	
Outlays	63	66	10

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

The Budget re-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 assessmentson Fannie Mae and Freddie Mac.

**Object Classification (in millions of dollars)**

Identification code 86-5272-0-2-371	2007 actual	2008 est.	2009 est.
<b>Direct obligations:</b>			
11.1 Personnel compensation: Personnel Compensation	30	37	36
12.1 Civilian personnel benefits	8	10	11
21.0 Travel and transportation of persons		1	1
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	24	13	12
31.0 Equipment	2	2	4
99.0 Direct obligations	66	65	66
99.5 Below reporting threshold	1	1	1
99.9 Total new obligations	67	66	67

**Employment Summary**

Identification code 86-5272-0-2-371	2007 actual	2008 est.	2009 est.
<b>Direct:</b>			
1001 Civilian full-time equivalent employment	230	262	257

**OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT**  
**(Legislative proposal, not subject to PAYGO)**

**Program and Financing (in millions of dollars)**

Identification code 86-5272-2-2-371	2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>			
00.01 Direct program			-67
10.00 Total new obligations			-67
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross)			-67
23.95 Total new obligations			67
24.40 Unobligated balance carried forward, end of year			
<b>New budget authority (gross), detail:</b>			
Discretionary:			



40.20	Appropriation (special fund) .....			-67
<b>Change in obligated balances:</b>				
73.10	Total new obligations .....			-67
73.20	Total outlays (gross) .....			57
74.40	Obligated balance, end of year .....			-10
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....			-57
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....			-67
90.00	Outlays .....			-57

Object Classification (in millions of dollars)				
Identification code 86-5272-2-2-371		2007 actual	2008 est.	2009 est.
Direct obligations:				
11.1	Personnel compensation: Personnel Compensation .....			-36
12.1	Civilian personnel benefits .....			-11
21.0	Travel and transportation of persons .....			-1
23.2	Rental payments to others .....			-1
23.3	Communications, utilities, and miscellaneous charges .....			-1
25.2	Other services .....			-12
31.0	Equipment .....			-4
99.0	Direct obligations .....			-66
99.5	Below reporting threshold .....			-1
99.9	Total new obligations .....			-67

**Employment Summary**

Identification code 86-5272-2-2-371		2007 actual	2008 est.	2009 est.
Direct:				
1001	Civilian full-time equivalent employment .....			-257

**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 continuing operation and maintenance of both Department-wide and program-specific information systems, and for program-related development activities, **[\$155,000,000] \$224,000,000**, to remain available until September 30, **[2009] 2010: Provided**, That any amounts transferred to this Fund under this Act shall remain available until expended: *Provided further*, That any amounts transferred to this Fund from amounts appropriated by previously enacted appropriations Acts or from within this Act may be used only for the purposes specified under this Fund, in addition to the purposes for which such amounts were appropriated: *Provided further*, That up to \$15,000,000 may be transferred to this account from all other accounts in this title (except for the Office of the Inspector General account and the Office of Federal Housing Enterprise Oversight account) that make funds available for salaries and expenses. (Department of Housing and Urban Development Appropriations Act, 2008.)

**Program and Financing (in millions of dollars)**

Identification code 86-4586-0-4-451		2007 actual	2008 est.	2009 est.
<b>Obligations by program activity:</b>				
00.01	Information Technology .....	264	235	313
10.00	Total new obligations .....	264	235	313
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year .....	41	34	46
22.00	New budget authority (gross) .....	248	235	313
22.10	Resources available from recoveries of prior year obligations .....	9	12	8
23.90	Total budgetary resources available for obligation .....	298	281	367
23.95	Total new obligations .....	-264	-235	-313
24.40	Unobligated balance carried forward, end of year .....	34	46	54

<b>New budget authority (gross), detail:</b>				
Discretionary:				
40.00	Appropriation .....	195	155	224
42.00	Transferred from other accounts .....	53	80	89
43.00	Appropriation (total discretionary) .....	248	235	313
Spending authority from offsetting collections:				
58.00	Offsetting collections (cash) .....	9		
58.10	Change in uncollected customer payments from Federal sources (unexpired) .....	-9		
58.90	Spending authority from offsetting collections (total discretionary) .....			
70.00	Total new budget authority (gross) .....	248	235	313

<b>Change in obligated balances:</b>				
72.40	Obligated balance, start of year .....	192	179	63
73.10	Total new obligations .....	264	235	313
73.20	Total outlays (gross) .....	-275	-339	-321
73.40	Adjustments in expired accounts (net) .....	-2		
73.45	Recoveries of prior year obligations .....	-9	-12	-8
74.00	Change in uncollected customer payments from Federal sources (unexpired) .....	9		
74.40	Obligated balance, end of year .....	179	63	47
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....	85	176	235
86.93	Outlays from discretionary balances .....	190	163	86
87.00	Total outlays (gross) .....	275	339	321

<b>Offsets:</b>				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources .....	-9		
Against gross budget authority only:				
88.95	Change in uncollected customer payments from Federal sources (unexpired) .....	9		

<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	248	235	313
90.00	Outlays .....	266	339	321

The Working Capital Fund (WCF), authorized by the Department of Housing and Urban Development Act of 1965, finances the information technology business functions of the Department. The WCF provides funding for the operation, maintenance, and modernization of IT systems in support of FHA Mortgage Insurance, housing assistance, grants programs, disaster relief, and core financial and general operations. The Budget requests a direct appropriation of \$224 million for IT business operations, infrastructure, and 280 personnel. An additional \$89 million in program transfers are also requested to develop, modify, and enhance systems that benefit specific programs.

**Object Classification (in millions of dollars)**

Identification code 86-4586-0-4-451		2007 actual	2008 est.	2009 est.
Direct obligations:				
11.1	Personnel compensation: Full-time permanent .....	29	29	31
12.1	Civilian personnel benefits .....	7	7	7
25.2	Other services .....	63	56	75
25.7	Operation and maintenance of equipment .....	165	143	200
99.9	Total new obligations .....	264	235	313

**Employment Summary**

Identification code 86-4586-0-4-451		2007 actual	2008 est.	2009 est.
Direct:				
1001	Civilian full-time equivalent employment .....	291	280	280

## WORKING CAPITAL FUND—Continued

## GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

	2007 actual	2008 est.	2009 est.
Offsetting receipts from the public:			
86-143500 General Fund Proprietary Interest Receipts, not Otherwise Classified .....		2	2
86-246900 Government-sponsored Enterprises Oversight Fee .....			6
86-271910 FHA-general and Special Risk, Negative Subsidies .....	1,013	688	612
Legislative proposal, not subject to PAYGO .....			-462
86-271930 FHA-general and Special Risk, Downward Re-estimates of Subsidies .....	1,746	897	
86-274330 Indian Housing Loan Guarantees, Downward Reestimates of Subsidies .....	1	6	
86-276230 Title VI Indian Loan Guarantee Downward Re-estimate .....	7	3	
86-277330 Community Development Loan Guarantees, Downward Reestimates .....	5	3	
86-322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts .....	32	18	18
General Fund Offsetting receipts from the public .....	2,804	1,617	176
Intragovernmental payments:			
86-388510 Undistributed Intragovernmental Payments ....	15	7	7
General Fund Intragovernmental payments .....	15	7	7

## GENERAL PROVISIONS

(INCLUDING [RESCISSION] CANCELLATION OF FUNDS)

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

SEC. 202. None of the amounts made available under this Act may be used during fiscal year [2008] 2009 to investigate or prosecute under the Fair Housing Act any otherwise lawful activity engaged in by one or more persons, including the filing or maintaining of a non-frivolous legal action, that is engaged in solely for the purpose of achieving or preventing action by a Government official or entity, or a court of competent jurisdiction.

SEC. 203. (a) Notwithstanding section 854(c)(1)(A) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)(1)(A)), from any amounts made available under this title for fiscal year [2008] 2009 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 [2008] 2009 under such clause (ii) because the areas in the State outside of the metropolitan statistical areas that qualify under clause (i) in fiscal year [2008] 2009 do not have the number of cases of acquired immunodeficiency syndrome (AIDS) required under such clause.

(b) The amount of the allocation and grant for any State described in subsection (a) shall be an amount based on the cumulative number of AIDS cases in the areas of that State that are outside of metropolitan statistical areas that qualify under clause (i) of such section

854(c)(1)(A) in fiscal year [2008] 2009, 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 [2008] 2009 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 [2008] 2009 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. 204. Except as explicitly provided in law, any grant, cooperative agreement or other assistance made pursuant to title II of this Act shall be made on a competitive basis and in accordance with section 102 of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545).

[SEC. 205. Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Federal Reserve banks or any member thereof, Federal Home Loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811-1831).]

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

SEC. [207] 205. Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of such Act as may be necessary in carrying out the programs set forth in the budget for [2008] 2009 for such corporation or agency except as hereinafter provided: *Provided*, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

[SEC. 208. None of the funds provided in this title for technical assistance, training, or management improvements may be obligated or expended unless the Secretary of Housing and Urban Development provides to the Committees on Appropriations a description of each proposed activity and a detailed budget estimate of the costs associated with each program, project or activity as part of the Budget

Justifications. For fiscal year 2008, the Secretary shall transmit this information to the Committees by March 15, 2008 for 30 days of review.】

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

SEC. 【210】 206. (a) Notwithstanding any other provision of law, the amount allocated for fiscal year 【2008】 2009 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 【2008】 2009 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 【2008】 2009 under section 854(c) of such Act, upon the written request of an applicant, in conjunction with the State(s), for a formula allocation on behalf of a metropolitan statistical area, to designate the State or States in which the metropolitan statistical area is located as the eligible grantee(s) of the allocation. In the case that a metropolitan statistical area involves more than one State, such amounts allocated to each State shall be in proportion to the number of cases of AIDS reported in the portion of the metropolitan statistical area located in that State. Any amounts allocated to a State under this section shall be used to carry out eligible activities within the portion of the metropolitan statistical area located in that State.

【SEC. 211. The Secretary of Housing and Urban Development shall submit an annual report no later than August 30, 2008 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. 212. The President’s formal budget request for fiscal year 2009, as well as the Department of Housing and Urban Development’s congressional budget justifications to be submitted to the Committees on Appropriations of the House of Representatives and the Senate, shall use the identical account and sub-account structure provided under this Act.】

【SEC. 213. Amounts made available in this Act or previous appropriations Acts for tenant-based rental assistance and used for non-elderly disabled families or for the Family Unification Program shall, to the extent practicable, remain available for each such respective purpose upon turn-over.】

SEC. 【214】 207. A public housing agency or such other entity that administers Federal housing assistance for the Housing Authority of the county of Los Angeles, California, the States of Alaska, Iowa, and Mississippi shall not be required to include a resident of public housing or a recipient of assistance provided under section 8 of the United States Housing Act of 1937 on the board of directors or a similar governing board of such agency or entity as required under section (2)(b) of such Act. Each public housing agency or other entity that administers Federal housing assistance under section 8 for the Housing Authority of the county of Los Angeles, California and the States of Alaska, Iowa and Mississippi *that chooses not to include*

*a resident of Public Housing or a recipient of section 8 assistance on the board of directors or a similar governing board shall establish an advisory board of not less than 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. 215. (a) Notwithstanding any other provision of law, subject to the conditions listed in subsection (b), for fiscal years 2008 and 2009, the Secretary of Housing and Urban Development may authorize the transfer of some or all project-based assistance, debt and statutorily required low-income and very low-income use restrictions, associated with one or more multifamily housing project to another multifamily housing project or projects.

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

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

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

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

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

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

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

(7) If either the transferring project or the receiving project or projects meets the condition specified in subsection (c)(2)(A), any lien on the receiving project resulting from additional financing obtained by the owner shall be subordinate to any FHA-insured mortgage lien transferred to, or placed on, such project by the Secretary.

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

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

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

(c) For purposes of this section—

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

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

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

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

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

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

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

(3) the term “project-based assistance” means—

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

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

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

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

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

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

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

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

**[SEC. 216.** 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. 217.** 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. [218] 208.** (a) No assistance shall be provided under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) to any individual who—

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

(2) is under 24 years of age;

(3) is not a veteran;

(4) is unmarried;

(5) does not have a dependent child;

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

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

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

**[(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. [219] 209.** [Notwithstanding the limitation in the first sentence of section] Section 255(g) of the National Housing Act (12 U.S.C. 1715z–20(g))[, the Secretary of Housing and Urban Development may, until September 30, 2008, insure and enter into commitments to insure mortgages under section 255 of the National Housing Act (12 U.S.C. 1715z–20)] *is amended by striking the first sentence.*

**[SEC. 220.** Notwithstanding any other provision of law, in fiscal year 2008, in managing and disposing of any multifamily property that is owned or has a mortgage held by the Secretary of Housing and Urban Development, the Secretary shall maintain any rental assistance payments under section 8 of the United States Housing Act of 1937 and other programs that are attached to any dwelling units in the property. To the extent the Secretary determines, in consultation with the tenants and the local government, that such a multifamily property owned or held by the Secretary is not feasible for continued rental assistance payments under such section 8 or other programs, based on consideration of (1) the costs of rehabilitating and operating the property and all available Federal, State, and local resources, including rent adjustments under section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (“MAHRAA”) and (2) environmental conditions that cannot be remedied in a cost-effective fashion, the Secretary may, in consultation with the tenants of that property, contract for project-based

rental assistance payments with an owner or owners of other existing housing properties, or provide other rental assistance. The Secretary shall also take appropriate steps to ensure that project-based contracts remain in effect prior to foreclosure, subject to the exercise of contractual abatement remedies to assist relocation of tenants for imminent major threats to health and safety. After disposition of any multifamily property described under this section, the contract and allowable rent levels on such properties shall be subject to the requirements under section 524 of MAHRAA.]

**[SEC. 221.** The National Housing Act is amended—

(1) in sections 207(c)(3), 213(b)(2)(B)(i), 221(d)(3)(ii)(II), 221(d)(4)(ii)(II), 231(c)(2)(B), and 234(e)(3)(B) (12 U.S.C. 1713(c)(3), 1715e(b)(2)(B)(i), 1715l(d)(3)(ii)(II), 1715l(d)(4)(ii)(II), 1715v(c)(2)(B), and 1715y(e)(3)(B))—

(A) by striking “140 percent” each place such term appears and inserting “170 percent”; and

(B) by striking “170 percent in high cost areas” each place such term appears and inserting “215 percent in high cost areas”; and

(2) in section 220(d)(3)(B)(iii)(III) (12 U.S.C. 1715k(d)(3)(B)(iii)(III)) by striking “206A” and all that follows through “project-by-project basis” and inserting the following: “206A of this Act) by not to exceed 170 percent in any geographical area where the Secretary finds that cost levels so require and by not to exceed 170 percent, or 215 percent in high cost areas, where the Secretary determines it necessary on a project-by-project basis”.]

**SEC. [222] 210.** During fiscal year [2008] 2009, 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. 223.** 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 202(b) of such Act, may, at its option, establish a single-asset nonprofit entity to own the project and may lend the grant funds to such entity, which may be a private nonprofit organization described in section 831 of the American Homeownership and Economic Opportunity Act of 2000.]

**[SEC. 224.** Section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v) is amended—

(1) in subsection (m)(1), by striking “2003” and inserting “2008”; and

(2) in subsection (o), by striking “September 30, 2007” and inserting “September 30, 2008”.]

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

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

**[SEC. 227.** The Secretary of Housing and Urban Development shall report quarterly to the House of Representatives and Senate Commit-

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

【SEC. 228. The Secretary of Housing and Urban Development shall report quarterly to the House of Representatives and Senate Committees on Appropriations on HUD's use of all sole source contracts, including terms of the contracts, cost, and a substantive rationale for using a sole source contract.】

【SEC. 229. Section 9(e)(2)(C) of the United States Housing Act of 1937 (42 U.S.C. 1437g(e)(2)(C)) is amended by adding at the end the following:

“(iv) EXISTING CONTRACTS.—The term of a contract described in clause (i) that, as of the date of enactment of this clause, is in repayment and has a term of not more than 12 years, may be extended to a term of not more than 20 years to permit additional energy conservation improvements without requiring the procurement of energy performance contractors.”.】

SEC. 【230】 211. The Secretary of Housing and Urban Development 【shall】 is authorized to increase, pursuant to this section, the number of Moving-to-Work agencies authorized under section 204, title II, of the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act, 1996 (Public Law 104–134; 110 Stat. 1321–281) 【by making individually the Alaska Housing Finance Corporation and the housing authorities of the counties of San Bernardino and Santa Clara and the city of San Jose, California, a Moving-to-Work Agency under such section 204】. *The participation by a public housing agency in the Moving-to-Work demonstration under section 204 shall neither diminish nor increase the amount of assistance that such agency receives under sections 8 or 9, or pursuant to section 14, of the United States Housing Act of 1937. In addition to other reporting requirements, all Moving-to-Work agencies shall report financial data to the Department of Housing and Urban Development as specified by the Secretary, so that the effect of Moving-to-Work policy changes can be measured.*

【SEC. 231. Notwithstanding any other provision of law, the Secretary of Housing and Urban Development may not rescind or take any adverse action with respect to the Moving-to-Work program designation for the Housing Authority of Baltimore City based on any alleged administrative or procedural errors in making such designation.】

【SEC. 232. Paragraph (4) of section 102(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302) is amended by adding at the end the following new sentence: “Notwithstanding any other provision of this paragraph, with respect to any fiscal year beginning after September 30, 2007, the cities of Alton and Granite City, Illinois, shall be considered metropolitan cities for purposes of this title.”.】

SEC. 【233】 212.

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

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

【SEC. 234. Not later than 30 days after the date of enactment of this Act, the Secretary of Housing and Urban Development shall

establish and maintain on the homepage of the Internet website of the Department of Housing and Urban Development—

(1) a direct link to the Internet website of the Office of Inspector General of the Department of Housing and Urban Development; and

(2) a mechanism by which individuals may anonymously report cases of waste, fraud, or abuse with respect to the Department of Housing and Urban Development.】

【SEC. 235. (a) REQUIRED SUBMISSIONS FOR FISCAL YEARS 2007 AND 2008.—

(1) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Secretary of Housing and Urban Development shall submit to the relevant authorizing committees and to the Committees on Appropriations of the Senate and the House of Representatives for fiscal years 2007 and 2008—

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

(B) revised estimates of the funding needed to fully fund all 12 months of all project-based contracts under such section 8, including project-based contracts that expire in fiscal year 2007 and fiscal year 2008; and

(C) all sources of funding that will be used to fully fund all 12 months of the project-based contracts for fiscal years 2007 and 2008.

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

(b) REQUIRED SUBMISSIONS FOR FISCAL YEAR 2009.—As part of the Department of Housing and Urban Development's budget request for fiscal year 2009, the Secretary of Housing and Urban Development shall submit to the relevant authorizing committees and to the Committees on Appropriations of the Senate and the House of Representatives complete and detailed information, including a project-by-project analysis, that verifies that such budget request will fully fund all project-based contracts under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) in fiscal year 2009, including expiring project-based contracts.】

SEC. 【236】 213. No official or employee of the Department of Housing and Urban Development shall be designated as an allotment holder unless the Office of the Chief Financial Officer has determined that such allotment holder has implemented an adequate system of funds control and has received training in funds control procedures and directives. The Chief Financial Officer shall ensure that【, not later than 90 days after the date of enactment of this Act,】*there is a trained allotment holder 【shall be designated】 for each HUD sub-account under the 【headings “Executive Direction” and】 heading “Administration, Operations, and Management” as well as each account receiving appropriations for “personnel compensation and benefits” within the Department of Housing and Urban Development.*

【SEC. 237. Payment of attorney fees in program-related litigation must be paid from individual program office personnel benefits and compensation funding. The annual budget submission for program office personnel benefit and compensation funding must include program-related litigation costs for attorney fees as a separate line item request.】

【SEC. 238. Of the unobligated balances remaining from funds appropriated to the Department of Housing and Urban Development under the heading “Tenant-Based Rental Assistance” under section 21033 of Public Law 110–5, \$723,257,000 are rescinded from the \$4,193,000,000 which became available pursuant to such section on October 1, 2007.】

SEC. 214. Section 683(2) of the Housing and Community Development Act of 1992 (42 U.S.C. 13641(2)) is amended:

(a) in subparagraph (F), by striking “and”;

(b) in subparagraph (G) by striking the period at the end and inserting “; and”

and

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

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

SEC. 215. *The Home Investment Partnerships Act (42 U.S.C. 12721 et seq)* is amended—

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

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

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

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

SEC. 216. Section 1018(a) of the *Housing and Community Development Act of 1992 (42 U.S.C. 4852d)* is amended by inserting at the end the following paragraph

“(6) **AUTHORITY OF THE SECRETARY.**—”

(A) **INVESTIGATIONS.**—*The Secretary is authorized to conduct such investigations as may be necessary to administer and carry out his duties under this section. The Secretary is authorized to administer oaths and require by subpoena the production of documents, and the attendance and testimony of witnesses as the Secretary deems advisable. Nothing contained*

*in this subparagraph shall prevent the Administrator of the Environmental Protection Agency from exercising authority under the Toxic Substances Control Act.*

“(B) **ENFORCEMENT.**—*Any district court of the United States within the jurisdiction of which an inquiry is carried, on application of the Attorney General, may, in the case of contumacy or refusal to permit entry under this section or to obey a subpoena of the Secretary issued under this section, issue an order requiring such entry or such compliance therewith; and any failure to obey such order of the court may be punished by such court as a contempt thereof.*”

SEC. 217. Section 1 of the *National Housing Act (12 U.S.C. 1702)* is amended in the fifth sentence by striking “Except with respect to title III” and inserting “Except with respect to the Federal National Mortgage Association”. (Department of Housing and Urban Development Appropriations Act, 2008.)