

[DISCUSSION DRAFT]

117TH CONGRESS
1ST SESSION

H. R. _____

To require the continuation of the FHA affordable rental housing financing partnership with the Federal Financing Bank, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. VELÁZQUEZ introduced the following bill; which was referred to the Committee on _____

A BILL

To require the continuation of the FHA affordable rental housing financing partnership with the Federal Financing Bank, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Federal Financing
5 Bank Risk-Sharing Act of 2021”.

1 **SEC. 2. CONTINUATION OF FHA-FFB AFFORDABLE RENTAL**
2 **HOUSING FINANCING PARTNERSHIP.**

3 (a) REQUIREMENT.—The Secretary of Housing and
4 Urban Development and the Secretary of the Treasury
5 shall continue to carry out the FHA affordable rental
6 housing financing partnership with the Federal Financing
7 Bank, under which such Bank provides financing for loans
8 insured under the FHA Multifamily Risk-Sharing Pro-
9 gram under section 542 of the Housing and Community
10 Development Act of 1992 (12 U.S.C. 1715z–22), and may
11 enter into such new commitments under such program
12 during each fiscal year, subject to the overall limitations
13 provided in this Act on new commitments to guarantee
14 loans insured under the General and Special Risk Insur-
15 ance Funds, as authorized by sections 238 and 519 of the
16 National Housing Act (12 U.S.C. 1715z–3 and 1735c).

17 (b) RURAL POPULATIONS.—In complying with sub-
18 section (a), the Secretary of Housing and Urban Develop-
19 ment shall make any changes to the Risk-Sharing Pro-
20 gram that the Secretary determines are necessary or ap-
21 propriate to enhance the scope and effectiveness of the
22 Program for rural populations.

23 (c) COMMUNITY DEVELOPMENT FINANCIAL INSTITU-
24 TIONS.—Pursuant to section 542(b) of Housing and Com-
25 munity Development Act of 1992 (12 U.S.C. 1715z–22),
26 the Secretary of Housing and Urban Development shall

1 enter into risk-sharing agreements with community devel-
2 opment financial institutions, as such term is defined in
3 section 103 of the Riegle Community Development and
4 Regulatory Improvement Act of 1994 (12 U.S.C. 4702).

5 (d) AFFORDABLE HOUSING.—Section 542 of the
6 Housing and Community Development Act of 1992 (12
7 U.S.C. 1715z–22) is amended—

8 (1) in subsection (b), by striking paragraph (9)
9 and inserting the following new paragraph:

10 “(9) AFFORDABLE HOUSING.—Multifamily
11 housing securing loans insured or reinsured under
12 this subsection shall qualify as affordable only if the
13 housing bears rents not greater than the gross rent
14 for rent-restricted residential units as determined
15 under section 42(g) of the Internal Revenue Code of
16 1986 (26 U.S.C. 42(g)).”; and

17 (2) in subsection (c), by striking paragraph (7)
18 and inserting the following new paragraph:

19 “(7) AFFORDABLE HOUSING.—Multifamily
20 housing securing loans insured or reinsured under
21 this subsection shall qualify as affordable only if the
22 housing bears rents not greater than the gross rent
23 for rent-restricted residential units as determined
24 under section 42(g) of the Internal Revenue Code of
25 1986 (26 U.S.C. 42(g)).”.