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AMENDMENT TO H.R. 2454

OFFERED BY MR. PERLMUTTER OF COLORADO

Page 521, after line 3, insert the following new subtitle:

1 **Subtitle H—Green Resources for**
2 **Energy Efficient Neighborhoods**

3 **SEC. 281. SHORT TITLE.**

4 This subtitle may be cited as the “Green Resources
5 for Energy Efficient Neighborhoods Act of 2009” or the
6 “GREEN Act of 2009”.

7 **SEC. 282. DEFINITIONS.**

8 For purposes of this subtitle, the following definitions
9 shall apply:

10 (1) GREEN BUILDING STANDARDS.—The term
11 “green building standards” means standards to re-
12 quire use of sustainable design principles to reduce
13 the use of nonrenewable resources, encourage en-
14 ergy-efficient construction and rehabilitation and the
15 use of renewable energy resources, minimize the im-
16 pact of development on the environment, and im-
17 prove indoor air quality.

18 (2) HUD.—The term “HUD” means the De-
19 partment of Housing and Urban Development.

1 (3) HUD ASSISTANCE.—The term “HUD as-
2 sistance” means financial assistance that is awarded,
3 competitively or noncompetitively, allocated by for-
4 mula, or provided by HUD through loan insurance
5 or guarantee.

6 (4) NONRESIDENTIAL STRUCTURE.—The term
7 “nonresidential structures” means only nonresiden-
8 tial structures that are appurtenant to single-family
9 or multifamily housing residential structures, or
10 those that are funded by the Secretary of Housing
11 and Urban Development through the HUD Commu-
12 nity Development Block Grant program.

13 (5) SECRETARY.—The term “Secretary”, unless
14 otherwise specified, means the Secretary of Housing
15 and Urban Development.

16 **SEC. 283. IMPLEMENTATION OF ENERGY EFFICIENCY PAR-**
17 **TICIPATION INCENTIVES FOR HUD PRO-**
18 **GRAMS.**

19 (a) IN GENERAL.—Not later than 180 days after the
20 date of the enactment of this Act, the Secretary shall issue
21 such regulations as may be necessary to establish annual
22 energy efficiency participation incentives to encourage par-
23 ticipants in programs administered by the Secretary, in-
24 cluding recipients under programs for which HUD assist-

1 ance is provided, to achieve substantial improvements in
2 energy efficiency.

3 (b) REQUIREMENT FOR APPROPRIATION OF
4 FUNDS.—The requirement under subsection (a) for the
5 Secretary to provide annual energy efficiency participation
6 incentives pursuant to the provisions of this subtitle shall
7 be subject to the annual appropriation of necessary funds.

8 **SEC. 284. BASIC HUD ENERGY EFFICIENCY STANDARDS**
9 **AND STANDARDS FOR ADDITIONAL CREDIT.**

10 (a) BASIC HUD STANDARD.—

11 (1) RESIDENTIAL STRUCTURES.—A residential
12 single-family or multifamily structure shall be con-
13 sidered to comply with the energy efficiency stand-
14 ards under this subsection if—

15 (A) the structure complies with an energy
16 efficiency building code that has been certified
17 as in compliance with section 304 of the Energy
18 Conservation and Production Act (42 U.S.C.
19 6833) as amended by section 201 of this Act,
20 or a national energy efficiency building code
21 adopted pursuant to that section;

22 (B) the structure complies with the appli-
23 cable provisions of the American Society of
24 Heating, Refrigerating, and Air-Conditioning
25 Engineers Standard 90.1–2007, as such stand-

1 ard or successor standard is in effect for pur-
2 poses of this section pursuant subsection (e);

3 (C) the structure complies with the appli-
4 cable provisions of the 2009 International En-
5 ergy Conservation Code, as such standard or
6 successor standard is in effect for purposes of
7 this section pursuant subsection (e);

8 (D) in the case only of an existing struc-
9 ture, where determined cost effective, the struc-
10 ture has undergone rehabilitation or improve-
11 ments, completed after the date of the enact-
12 ment of this Act, and the energy consumption
13 for the structure has been reduced by at least
14 20 percent from the previous level of consump-
15 tion, as determined in accordance with energy
16 audits performed both before and after any re-
17 habilitation or improvements undertaken to re-
18 duce such consumption; or

19 (E) the structure complies with the appli-
20 cable provisions of such other energy efficiency
21 requirements, standards, checklists, or ratings
22 systems as the Secretary may adopt and apply
23 by regulation, as may be necessary, for pur-
24 poses of this section for specific types of resi-
25 dential single-family or multifamily structures

1 or otherwise, except that the Secretary shall
2 make a determination regarding whether to
3 adopt and apply any such requirements, stand-
4 ards, checklists, or rating system for purposes
5 of this section not later than the expiration of
6 the 180-day period beginning upon the date of
7 receipt of any written request, made in such
8 form as the Secretary shall provide, for such
9 adoption and application.

10 In addition to compliance with any of subparagraphs
11 (A) through (E), the Secretary shall by regulation
12 require, for any newly constructed residential single-
13 family or multifamily structure to be considered to
14 comply with the energy efficiency standards under
15 this subsection, that the structure have appropriate
16 electrical outlets with the facility and capacity to re-
17 charge a standard electric passenger vehicle, includ-
18 ing an electric hybrid vehicle, where such vehicle
19 would normally be parked.

20 (2) NONRESIDENTIAL STRUCTURES.—For pur-
21 poses of this section, the Secretary shall identify and
22 adopt by regulation, as may be necessary, energy ef-
23 ficiency requirements, standards, checklists, or rat-
24 ing systems applicable to nonresidential structures
25 that are constructed or rehabilitated with HUD as-

1 sistance. A nonresidential structure shall be consid-
2 ered to comply with the energy efficiency standards
3 under this subsection if the structure complies with
4 the applicable provisions of any such energy effi-
5 ciency requirements, standards, checklist, or rating
6 systems identified and adopted by the Secretary pur-
7 suant to this paragraph, as such standards are in ef-
8 fect for purposes of this section pursuant to sub-
9 section (c).

10 (3) EFFECT.—Nothing in this subsection may
11 be construed to require any structure to comply with
12 any standard established or adopted pursuant to this
13 subsection, or identified in this subsection, or to pro-
14 vide any benefit or credit under any Federal pro-
15 gram for any structure that complies with any such
16 standard, except to the extent that—

17 (A) any provision of law other than this
18 subsection provides a benefit or credit under a
19 Federal program for compliance with a stand-
20 ard established or adopted pursuant to this sub-
21 section, or identified in this subsection; or

22 (B) the Secretary specifically provides pur-
23 suant to subsection (c) for the applicability of
24 such standard.

1 (b) ENHANCED ENERGY EFFICIENCY STANDARDS
2 FOR PURPOSES OF PROVIDING ADDITIONAL CREDIT
3 UNDER CERTAIN FEDERALLY ASSISTED HOUSING PRO-
4 GRAMS.—

5 (1) PURPOSE AND EFFECT.—

6 (A) PURPOSE.—The purpose of this sub-
7 section is to establish energy efficiency and con-
8 servation standards and green building stand-
9 ards that—

10 (i) provide for greater energy effi-
11 ciency and conservation in structures than
12 is required for compliance with the energy
13 efficiency standards under subsection (a)
14 and then in effect;

15 (ii) provide for green and sustainable
16 building standards not required by such
17 standards; and

18 (iii) can be used in connection with
19 Federal housing, housing finance, and de-
20 velopment programs to provide incentives
21 for greater energy efficiency and conserva-
22 tion and for green and sustainable building
23 methods, elements, practices, and mate-
24 rials.

1 (B) EFFECT.—Nothing in this subsection
2 may be construed to require any structure to
3 comply with any standard established pursuant
4 to this subsection or to provide any benefit or
5 credit under any Federal program for any
6 structure, except to the extent that any provi-
7 sion of law other than this subsection provides
8 a benefit or credit under a Federal program for
9 compliance with a standard established pursu-
10 ant to this subsection.

11 (2) COMPLIANCE.—A residential or nonresiden-
12 tial structure shall be considered to comply with the
13 enhanced energy efficiency and conservation stand-
14 ards or the green building standards under this sub-
15 section, to the extent that such structure complies
16 with the applicable provisions of the standards under
17 paragraph (3) or (4), respectively (as such standards
18 are in effect for purposes of this section, pursuant
19 to paragraph (7)), in a manner that is not required
20 for compliance with the energy efficiency standards
21 under subsection (a) then in effect and subject to
22 the Secretary's determination of which standards are
23 applicable to which structures.

1 (3) ENERGY EFFICIENCY AND CONSERVATION
2 STANDARDS.—The energy efficiency and conserva-
3 tion standards under this paragraph are as follows:

4 (A) RESIDENTIAL STRUCTURES.—With re-
5 spect to residential structures:

6 (i) NEW CONSTRUCTION.—For new
7 construction, the Energy Star standards
8 established by the Environmental Protec-
9 tion Agency, as such standards are in ef-
10 fect for purposes of this subsection pursu-
11 ant to paragraph (7);

12 (ii) EXISTING STRUCTURES.—For ex-
13 isting structures, a reduction in energy
14 consumption from the previous level of
15 consumption for the structure, as deter-
16 mined in accordance with energy audits
17 performed both before and after any reha-
18 bilitation or improvements undertaken to
19 reduce such consumption, that exceeds the
20 reduction necessary for compliance with
21 the energy efficiency standards under sub-
22 section (a) then in effect and applicable to
23 existing structures.

24 (B) NONRESIDENTIAL STRUCTURES.—
25 With respect to nonresidential structures, such

1 energy efficiency and conservation require-
2 ments, standards, checklists, or rating systems
3 for nonresidential structures as the Secretary
4 shall identify and adopt by regulation, as may
5 be necessary, for purposes of this paragraph.

6 (4) GREEN BUILDING STANDARDS.—The green
7 building standards under this paragraph are as fol-
8 lows:

9 (A) The national Green Communities cri-
10 teria checklist for residential construction that
11 provides criteria for the design, development,
12 and operation of affordable housing, as such
13 checklist or successor checklist is in effect for
14 purposes of this section pursuant to paragraph
15 (7).

16 (B) The gold certification level for the
17 LEED for New Construction rating system, the
18 LEED for Homes rating system, the LEED for
19 Core and Shell rating system, as applicable, as
20 such systems or successor systems are in effect
21 for purposes of this section pursuant to para-
22 graph (7).

23 (C) The Green Globes assessment and rat-
24 ing system of the Green Buildings Initiative.

1 (D) For manufactured housing, energy
2 star rating with respect to fixtures, appliances,
3 and equipment in such housing, as such stand-
4 ard or successor standard is in effect for pur-
5 poses of this section pursuant to paragraph (7).

6 (E) The National Green Building Stand-
7 ard.

8 (F) Any other requirements, standards,
9 checklists, or rating systems for green building
10 or sustainability as the Secretary may identify
11 and adopt by regulation, as may be necessary
12 for purposes of this paragraph, except that the
13 Secretary shall make a determination regarding
14 whether to adopt and apply any such require-
15 ments, standards, checklist, or rating system
16 for purposes of this section not later than the
17 expiration of the 180-day period beginning upon
18 date of receipt of any written request, made in
19 such form as the Secretary shall provide, for
20 such adoption and application.

21 (5) GREEN BUILDING.—For purposes of this
22 subsection, the term “green building” means, with
23 respect to standards for structures, standards to re-
24 quire use of sustainable design principles to reduce
25 the use of nonrenewable resources, minimize the im-

1 pact of development on the environment, and to im-
2 prove indoor air quality.

3 (6) ENERGY AUDITS.—The Secretary shall es-
4 tablish standards and requirements for energy au-
5 dits for purposes of paragraph (3)(A)(ii) and, in es-
6 tablishing such standards, may consult with any ad-
7 visory committees established pursuant to section
8 285(c)(2) of this subtitle.

9 (7) APPLICABILITY AND UPDATING OF STAND-
10 ARDS.—

11 (A) APPLICABILITY.—Except as provided
12 in subparagraph (B), the requirements, stand-
13 ards, checklists, and rating systems referred to
14 in this subsection that are in effect for purposes
15 of this subsection are such requirements, stand-
16 ards, checklists, and systems as in existence
17 upon the date of the enactment of this Act.

18 (B) UPDATING.—For purposes of this sec-
19 tion, the Secretary may adopt and apply by reg-
20 ulation, as may be necessary, future amend-
21 ments and supplements to, and editions of, the
22 requirements, standards, checklists, and rating
23 systems referred to in this subsection, including
24 applicable energy efficiency building codes that
25 are certified as in compliance with section 304

1 of the Energy Conservation and Production Act
2 (42 U.S.C. 6833) as amended by section 201 of
3 this Act, or national energy efficiency building
4 codes adopted pursuant to that section.

5 (c) AUTHORITY OF SECRETARY TO APPLY STAND-
6 ARDS TO FEDERALLY ASSISTED HOUSING AND PRO-
7 GRAMS.—

8 (1) HUD HOUSING AND PROGRAMS.—The Sec-
9 retary of Housing and Urban Development may, by
10 regulation, provide for the applicability of the energy
11 efficiency standards under subsection (a) or the en-
12 hanced energy efficiency and conservation standards
13 and green building standards under subsection (b),
14 or both, with respect to any covered federally as-
15 sisted housing described in paragraph (3)(A) or any
16 HUD assistance, subject to minimum Federal codes
17 or standards then in effect.

18 (2) RURAL HOUSING.—The Secretary of Agri-
19 culture may, by regulation, provide for the applica-
20 bility of the energy efficiency standards under sub-
21 section (a) or the enhanced energy efficiency and
22 conservation standards and green building standards
23 under subsection (b), or both, with respect to any
24 covered federally assisted housing described in para-
25 graph (3)(B) or any assistance provided with respect

1 to rural housing by the Rural Housing Service of the
2 Department of Agriculture, subject to minimum
3 Federal codes or standards then in effect.

4 (3) COVERED FEDERALLY ASSISTED HOUS-
5 ING.—For purposes of this subsection, the term
6 “covered federally assisted housing” means—

7 (A) any residential or nonresidential struc-
8 ture for which any HUD assistance is provided;
9 and

10 (B) any new construction of single-family
11 housing (other than manufactured homes) sub-
12 ject to mortgages insured, guaranteed, or made
13 by the Secretary of Agriculture under title V of
14 the Housing Act of 1949 (42 U.S.C. 1471 et
15 seq.).

16 **SEC. 285. ENERGY EFFICIENCY AND CONSERVATION DEM-**
17 **ONSTRATION PROGRAM FOR MULTIFAMILY**
18 **HOUSING PROJECTS ASSISTED WITH**
19 **PROJECT-BASED RENTAL ASSISTANCE.**

20 (a) AUTHORITY.—For multifamily housing projects
21 for which project-based rental assistance is provided under
22 a covered multifamily assistance program, the Secretary
23 shall, subject to the availability of amounts provided in
24 advance in appropriation Acts, carry out a program to
25 demonstrate the effectiveness of funding a portion of the

1 costs of meeting the enhanced energy efficiency standards
2 under section 284(b). At the discretion of the Secretary,
3 the demonstration program may include incentives for
4 housing that is assisted with Indian housing block grants
5 provided pursuant to the Native American Housing Assist-
6 ance and Self-Determination Act of 1996, but only to the
7 extent that such inclusion does not violate such Act, its
8 regulations, and the goal of such Act of tribal self-deter-
9 mination.

10 (b) GOALS.—The demonstration program under this
11 section shall be carried out in a manner that—

12 (1) protects the financial interests of the Fed-
13 eral Government;

14 (2) reduces the proportion of funds provided by
15 the Federal Government and by owners and resi-
16 dents of multifamily housing projects that are used
17 for costs of utilities for the projects;

18 (3) encourages energy efficiency and conserva-
19 tion by owners and residents of multifamily housing
20 projects and installation of renewable energy im-
21 provements, such as improvements providing for use
22 of solar, wind, geothermal, or biomass energy
23 sources;

24 (4) creates incentives for project owners to
25 carry out such energy efficiency renovations and im-

1 improvements by allowing a portion of the savings in
2 operating costs resulting from such renovations and
3 improvements to be retained by the project owner,
4 notwithstanding otherwise applicable limitations on
5 dividends;

6 (5) promotes the installation, in existing resi-
7 dential buildings, of energy-efficient and cost-effec-
8 tive improvements and renewable energy improve-
9 ments, such as improvements providing for use of
10 solar, wind, geothermal, or biomass energy sources;

11 (6) tests the efficacy of a variety of energy effi-
12 ciency measures for multifamily housing projects of
13 various sizes and in various geographic locations;

14 (7) tests methods for addressing the various,
15 and often competing, incentives that impede owners
16 and residents of multifamily housing projects from
17 working together to achieve energy efficiency or con-
18 servation; and

19 (8) creates a database of energy efficiency and
20 conservation, and renewable energy, techniques, en-
21 ergy-savings management practices, and energy effi-
22 ciency and conservation financing vehicles.

23 (c) APPROACHES.—In carrying out the demonstra-
24 tion program under this section, the Secretary may—

1 (1) enter into agreements with the Building
2 America Program of the Department of Energy and
3 other consensus committees under which such pro-
4 grams, partnerships, or committees assume some or
5 all of the functions, obligations, and benefits of the
6 Secretary with respect to energy savings;

7 (2) establish advisory committees to advise the
8 Secretary and any such third-party partners on tech-
9 nological and other developments in the area of en-
10 ergy efficiency and the creation of an energy effi-
11 ciency and conservation credit facility and other fi-
12 nancing opportunities, which committees shall in-
13 clude representatives of homebuilders, realtors, ar-
14 chitects, nonprofit housing organizations, environ-
15 mental protection organizations, renewable energy
16 organizations, and advocacy organizations for the el-
17 derly and persons with disabilities; any advisory
18 committees established pursuant to this paragraph
19 shall not be subject to the Federal Advisory Com-
20 mittee Act (5 U.S.C. App.);

21 (3) approve, for a period not to exceed 10
22 years, additional adjustments in the maximum
23 monthly rents or additional project rental assistance,
24 or additional Indian housing block grant funds
25 under the Native American Housing Assistance and

1 Self-Determination Act of 1996, as applicable, for
2 dwelling units in multifamily housing projects that
3 are provided project-based rental assistance under a
4 covered multifamily assistance program, in such
5 amounts as may be necessary to amortize a portion
6 of the cost of energy efficiency and conservation
7 measures for such projects;

8 (4) develop a competitive process for the award
9 of such additional assistance for multifamily housing
10 projects seeking to implement energy efficiency, re-
11 newable energy sources, or conservation measures;
12 and

13 (5) waive or modify any existing statutory or
14 regulatory provision that would otherwise impair the
15 implementation or effectiveness of the demonstration
16 program under this section, including provisions re-
17 lating to methods for rent adjustments, com-
18 parability standards, maximum rent schedules, and
19 utility allowances; notwithstanding the preceding
20 provisions of this paragraph, the Secretary may not
21 waive any statutory requirement relating to fair
22 housing, nondiscrimination, labor standards, or the
23 environment, except pursuant to existing authority
24 to waive nonstatutory environmental and other ap-
25 plicable requirements.

1 (d) REQUIREMENT.—During the 4-year period begin-
2 ning 12 months after the date of the enactment of this
3 Act, the Secretary shall carry out demonstration programs
4 under this section with respect to not fewer than 50,000
5 dwelling units.

6 (e) SELECTION.—

7 (1) SCOPE.—In order to provide a broad and
8 representative profile for use in designing a program
9 which can become operational and effective nation-
10 wide, the Secretary shall carry out the demonstra-
11 tion program under this section with respect to
12 dwelling units located in a wide variety of geographic
13 areas and project types assisted by the various cov-
14 ered multifamily assistance programs and using a
15 variety of energy efficiency and conservation and
16 funding techniques to reflect differences in climate,
17 types of dwelling units and technical and scientific
18 methodologies, and financing options. The Secretary
19 shall ensure that the geographic areas included in
20 the demonstration program include dwelling units on
21 Indian lands (as such term is defined in section
22 2601 of the Energy Policy Act of 1992 (25 U.S.C.
23 3501), to the extent that dwelling units on Indian
24 land have the type of residential structures that are
25 the focus of the demonstration program.

1 (2) PRIORITY.—The Secretary shall provide pri-
2 ority for selection for participation in the program
3 under this section based on the extent to which, as
4 a result of assistance provided, the project will com-
5 ply with the energy efficiency standards under sub-
6 section (a), (b), or (c) of section 284 of this subtitle.

7 (f) USE OF EXISTING PARTNERSHIPS.—To the ex-
8 tent feasible, the Secretary shall—

9 (1) utilize the Partnership for Advancing Tech-
10 nology in Housing of the Department of Housing
11 and Urban Development to assist in carrying out the
12 requirements of this section and to provide education
13 and outreach regarding the demonstration program
14 authorized under this section; and

15 (2) consult with the Secretary of Energy, the
16 Administrator of the Environmental Protection
17 Agency, and the Secretary of the Army regarding
18 utilizing the Building America Program of the De-
19 partment of Energy, the Energy Star Program, and
20 the Army Corps of Engineers, respectively, to deter-
21 mine the manner in which they might assist in car-
22 rying out the goals of this section and providing edu-
23 cation and outreach regarding the demonstration
24 program authorized under this section.

1 (g) LIMITATION.—No amounts made available under
2 the American Recovery and Reinvestment Act of 2009
3 (Public Law 111–5) may be used to carry out the dem-
4 onstration program under this section.

5 (h) REPORTS.—

6 (1) ANNUAL.—Not later than the expiration of
7 the 2-year beginning upon the date of the enactment
8 of this Act, and for each year thereafter during the
9 term of the demonstration program, the Secretary
10 shall submit a report to the Congress annually that
11 describes and assesses the demonstration program
12 under this section.

13 (2) FINAL.—Not later than 6 months after the
14 expiration of the 4-year period described in sub-
15 section (d), the Secretary shall submit a final report
16 to the Congress assessing the demonstration pro-
17 gram, which—

18 (A) shall assess the potential for expanding
19 the demonstration program on a nationwide
20 basis; and

21 (B) shall include descriptions of—

22 (i) the size of each multifamily hous-
23 ing project for which assistance was pro-
24 vided under the program;

1 (ii) the geographic location of each
2 project assisted, by State and region;

3 (iii) the criteria used to select the
4 projects for which assistance is provided
5 under the program;

6 (iv) the energy efficiency and con-
7 servation measures and financing sources
8 used for each project that is assisted under
9 the program;

10 (v) the difference, before and during
11 participation in the demonstration pro-
12 gram, in the amount of the monthly assist-
13 ance payments under the covered multi-
14 family assistance program for each project
15 assisted under the program;

16 (vi) the average length of the term of
17 the such assistance provided under the
18 program for a project;

19 (vii) the aggregate amount of savings
20 generated by the demonstration program
21 and the amount of savings expected to be
22 generated by the program over time on a
23 per-unit and aggregate program basis;

24 (viii) the functions performed in con-
25 nection with the implementation of the

1 demonstration program that were trans-
2 ferred or contracted out to any third par-
3 ties;

4 (ix) an evaluation of the overall suc-
5 cesses and failures of the demonstration
6 program; and

7 (x) recommendations for any actions
8 to be taken as a result of the such suc-
9 cesses and failures.

10 (3) CONTENTS.—Each annual report pursuant
11 to paragraph (1) and the final report pursuant to
12 paragraph (2) shall include—

13 (A) a description of the status of each mul-
14 tifamily housing project selected for participa-
15 tion in the demonstration program under this
16 section; and

17 (B) findings from the program and rec-
18 ommendations for any legislative actions.

19 (i) COVERED MULTIFAMILY ASSISTANCE PRO-
20 GRAM.—For purposes of this section, the term “covered
21 multifamily assistance program” means—

22 (1) the program under section 8 of the United
23 States Housing Act of 1937 (42 U.S.C. 1437f) for
24 project-based rental assistance;

1 (2) the program under section 202 of the Hous-
2 ing Act of 1959 (12 U.S.C. 1701q) for assistance
3 for supportive housing for the elderly;

4 (3) the program under section 811 of the Cran-
5 ston-Gonzalez National Affordable Housing Act (42
6 U.S.C. 8013) for supportive housing for persons
7 with disabilities;

8 (4) the program under section 236 of the Na-
9 tional Housing Act (12 U.S.C. 1715z-1 for assist-
10 ance for rental housing projects;

11 (5) the program under section 515 of the Hous-
12 ing Act of 1949 (42 U.S.C. 1485) for rural rental
13 housing; and

14 (6) the program for assistance under the Native
15 American Housing Assistance and Self-Determina-
16 tion Act of 1996 (25 U.S.C. 4111).

17 (j) AUTHORIZATION OF APPROPRIATIONS.—There is
18 authorized to be appropriated to carry out this section,
19 including providing rent adjustments, additional project
20 rental assistance, and incentives, \$50,000,000 for each fis-
21 cal year in which the demonstration program under this
22 section is carried out.

23 (k) REGULATIONS.—Not later than the expiration of
24 the 180-day period beginning on the date of the enactment

1 of this Act, the Secretary shall issue any regulations nec-
2 essary to carry out this section.

3 **SEC. 286. ADDITIONAL CREDIT FOR FANNIE MAE AND**
4 **FREDDIE MAC HOUSING GOALS FOR ENERGY-**
5 **EFFICIENT AND LOCATION-EFFICIENT MORT-**
6 **GAGES.**

7 Section 1336(a) of the Housing and Community De-
8 velopment Act of 1992 (12 U.S.C. 4566(a)), as amended
9 by the Federal Housing Finance Regulatory Reform Act
10 of 2008 (Public Law 110–289; 122 Stat. 2654), is amend-
11 ed—

12 (1) in paragraph (2), by striking “paragraph
13 (5)” and inserting “paragraphs (5) and (6)”; and

14 (2) by adding at the end the following new
15 paragraph:

16 “(6) ADDITIONAL CREDIT.—

17 “(A) IN GENERAL.—In assigning credit to-
18 ward achievement under this section of the
19 housing goals for mortgage purchase activities
20 of the enterprises, the Director shall assign—

21 “(i) more than 125 percent credit, for
22 any such purchase that both—

23 “(I) complies with the require-
24 ments of such goals; and

1 “(II)(aa) supports housing that
2 meets the energy efficiency standards
3 under section 284(a) of the Green Re-
4 sources for Energy Efficient Neigh-
5 borhoods Act of 2009; or

6 “(bb) is a location-efficient mort-
7 gage, as such term is defined in sec-
8 tion 1335(e); and

9 “(ii) credit in addition to credit under
10 clause (i), for any such purchase that
11 both—

12 “(I) complies with the require-
13 ments of such goals, and

14 “(II) supports housing that com-
15 plies with the enhanced energy effi-
16 ciency and conservation standards, or
17 the green building standards, under
18 section 284(b) of such Act, or both,

19 and such additional credit shall be given
20 based on the extent to which the housing
21 supported with such purchases complies
22 with such standards.

23 “(B) TREATMENT OF ADDITIONAL CRED-
24 IT.—The availability of additional credit under
25 this paragraph shall not be used to increase any

1 housing goal, subgoal, or target established
2 under this subpart.”.

3 **SEC. 287. DUTY TO SERVE UNDERSERVED MARKETS FOR**
4 **ENERGY-EFFICIENT AND LOCATION-EFFI-**
5 **CIENT MORTGAGES.**

6 Section 1335 of Federal Housing Enterprises Finan-
7 cial Safety and Soundness Act of 1992 (12 U.S.C. 4565),
8 as amended by the Federal Housing Finance Regulatory
9 Reform Act of 2008 (Public Law 110–289; 122 Stat.
10 2654), is amended—

11 (1) in subsection (a)(1), by adding at the end
12 the following new subparagraph:

13 “(D) MARKETS FOR ENERGY-EFFICIENT
14 AND LOCATION-EFFICIENT MORTGAGES.—

15 “(i) DUTY.—Subject to clause (ii), the
16 enterprise shall develop loan products and
17 flexible underwriting guidelines to facilitate
18 a secondary market for energy-efficient
19 and location-efficient mortgages on hous-
20 ing for very low-, low-, and moderate-in-
21 come families, and for second and junior
22 mortgages made for purposes of energy ef-
23 ficiency or renewable energy improvements,
24 or both.

1 “(ii) AUTHORITY TO SUSPEND.—Not-
2 withstanding any other provision of this
3 section, the Director may suspend the ap-
4 plicability of the requirement under clause
5 (i) with respect to an enterprise, for such
6 period as is necessary, if the Director de-
7 termines that exigent circumstances exist
8 and such suspension is appropriate to en-
9 sure the safety and soundness of the port-
10 folio holdings of the enterprise.”;

11 (2) by adding at the end the following new sub-
12 section:

13 “(e) DEFINITIONS.—For purposes of this section, the
14 following definitions shall apply:

15 “(1) ENERGY-EFFICIENT MORTGAGE.—The
16 term ‘energy-efficient mortgage’ means a mortgage
17 loan under which the income of the borrower, for
18 purposes of qualification for such loan, is considered
19 to be increased by not less than \$1 for each \$1 of
20 savings projected to be realized by the borrower as
21 a result of cost-effective energy-saving design, con-
22 struction or improvements (including use of renew-
23 able energy sources, such as solar, geothermal, bio-
24 mass, and wind, super-insulation, energy-saving win-

1 dows, insulating glass and film, and radiant barrier)
2 for the home for which the loan is made.

3 “(2) LOCATION-EFFICIENT MORTGAGE.—The
4 term ‘location-efficient mortgage’ means a mortgage
5 loan under which—

6 “(A) the income of the borrower, for pur-
7 poses of qualification for such loan, is consid-
8 ered to be increased by not less than \$1 for
9 each \$1 of savings projected to be realized by
10 the borrower because the location of the home
11 for which loan is made will result in decreased
12 transportation costs for the household of the
13 borrower; or

14 “(B) the sum of the principal, interest,
15 taxes, and insurance due under the mortgage
16 loan is decreased by not less than \$1 for each
17 \$1 of savings projected to be realized by the
18 borrower because the location of the home for
19 which loan is made will result in decreased
20 transportation costs for the household of the
21 borrower.”.

1 **SEC. 288. CONSIDERATION OF ENERGY EFFICIENCY UNDER**
2 **FHA MORTGAGE INSURANCE PROGRAMS AND**
3 **NATIVE AMERICAN AND NATIVE HAWAIIAN**
4 **LOAN GUARANTEE PROGRAMS.**

5 (a) **FHA MORTGAGE INSURANCE.**—

6 (1) **REQUIREMENT.**—Title V of the National
7 Housing Act is amended by adding after section 542
8 (12 U.S.C. 1735f-20) the following new section:

9 **“SEC. 543. CONSIDERATION OF ENERGY EFFICIENCY.**

10 “(a) **UNDERWRITING STANDARDS.**—The Secretary
11 shall establish a method to consider, in its underwriting
12 standards for mortgages on single-family housing meeting
13 the energy efficiency standards under section 284(a) of
14 the Green Resources for Energy Efficient Neighborhoods
15 Act of 2009 that are insured under this Act, the impact
16 that savings on utility costs has on the income of the mort-
17 gator.

18 “(b) **GOAL.**—It is the sense of the Congress that, in
19 carrying out this Act, the Secretary should endeavor to
20 insure mortgages on single-family housing meeting the en-
21 ergy efficiency standards under section 284(a) of the
22 Green Resources for Energy Efficient Neighborhoods Act
23 of 2009 such that at least 50,000 such mortgages are in-
24 sured during the period beginning upon the date of the
25 enactment of such Act and ending on December 31,
26 2012.”.

1 (2) REPORTING ON DEFAULTS.—Section 540(b)
2 of the National Housing Act (12 U.S.C. 1735f-
3 18(b)) is amended by adding at the end the fol-
4 lowing new paragraph:

5 “(3) With respect to each collection period that
6 commences after December 31, 2011, the total num-
7 ber of mortgages on single-family housing meeting
8 the energy efficiency standards under section 284(a)
9 of the Green Resources for Energy Efficient Neigh-
10 borhoods Act of 2009 that are insured by the Sec-
11 retary during the applicable collection period, the
12 number of defaults and foreclosures occurring on
13 such mortgages during such period, the percentage
14 of the total of such mortgages insured during such
15 period on which defaults and foreclosure occurred,
16 and the rate for such period of defaults and fore-
17 closures on such mortgages compared to the overall
18 rate for such period of defaults and foreclosures on
19 mortgages for single-family housing insured under
20 this Act by the Secretary.”.

21 (b) INDIAN HOUSING LOAN GUARANTEES.—

22 (1) REQUIREMENT.—Section 184 of the Hous-
23 ing and Community Development Act of 1992 (12
24 U.S.C. 1715z-13a) is amended—

1 (A) by redesignating subsection (l) as sub-
2 section (m); and

3 (B) by inserting after subsection (k) the
4 following new subsection:

5 “(1) CONSIDERATION OF ENERGY EFFICIENCY.—The
6 Secretary shall establish a method to consider, in its un-
7 derwriting standards for loans for single-family housing
8 meeting the energy efficiency standards under section
9 284(a) of the Green Resources for Energy Efficient
10 Neighborhoods Act of 2009 that are guaranteed under
11 this section, the impact that savings on utility costs has
12 on the income of the borrower.”.

13 (2) REPORTING ON DEFAULTS.—Section 540(b)
14 of the National Housing Act (12 U.S.C. 1735f–
15 18(b)), as amended by subsection (a)(2) of this sec-
16 tion, is further amended by adding at the end the
17 following new paragraph:

18 “(4) With respect to each collection period that
19 commences after December 31, 2011, the total num-
20 ber of loans guaranteed under section 184 of the
21 Housing and Community Development Act of 1992
22 (12 U.S.C. 1715z–13a) on single-family housing
23 meeting the energy efficiency standards under sec-
24 tion 284(a) of the Green Resources for Energy Effi-
25 cient Neighborhoods Act of 2009 that are guaran-

1 teed by the Secretary during the applicable collection
2 period, the number of defaults and foreclosures oc-
3 curring on such loans during such period, the per-
4 centage of the total of such loans guaranteed during
5 such period on which defaults and foreclosure oc-
6 curred, and the rate for such period of defaults and
7 foreclosures on such loans compared to the overall
8 rate for such period of defaults and foreclosures on
9 loans for single-family housing guaranteed under
10 such section 184 by the Secretary.”.

11 (c) NATIVE HAWAIIAN HOUSING LOAN GUARAN-
12 TEES.—

13 (1) REQUIREMENT.—Section 184A of the
14 Housing and Community Development Act of 1992
15 (12 U.S.C. 1715z–13b) is amended by inserting
16 after subsection (l) the following new subsection:

17 “(m) ENERGY-EFFICIENT HOUSING REQUIRE-
18 MENT.—The Secretary shall establish a method to con-
19 sider, in its underwriting standards for loans for single-
20 family housing meeting the energy efficiency standards
21 under section 284(a) of the Green Resources for Energy
22 Efficient Neighborhoods Act of 2009 that are guaranteed
23 under this section, the impact that savings on utility costs
24 has on the income of the borrower.”.

1 (2) REPORTING ON DEFAULTS.—Section 540(b)
2 of the National Housing Act (12 U.S.C. 1735f–
3 18(b)), as amended by the preceding provisions of
4 this section, is further amended by adding at the
5 end the following new paragraph:

6 “(5) With respect to each collection period that
7 commences after December 31, 2011, the total num-
8 ber of loans guaranteed under section 184A of the
9 Housing and Community Development Act of 1992
10 (12 U.S.C. 1715z–13b) on single-family housing
11 meeting the energy efficiency standards under sec-
12 tion 284(a) of the Green Resources for Energy Effi-
13 cient Neighborhoods Act of 2009 that are guaran-
14 teed by the Secretary during the applicable collection
15 period, the number of defaults and foreclosures oc-
16 ccurring on such loans during such period, the per-
17 centage of the total of such loans guaranteed during
18 such period on which defaults and foreclosure oc-
19 curred, and the rate for such period of defaults and
20 foreclosures on such loans compared to the overall
21 rate for such period of defaults and foreclosures on
22 loans for single-family housing guaranteed under
23 such section 184A by the Secretary.”.

1 **SEC. 289. ENERGY-EFFICIENT MORTGAGES AND LOCATION-**
2 **EFFICIENT MORTGAGES EDUCATION AND**
3 **OUTREACH CAMPAIGN.**

4 Section 106 of the Energy Policy Act of 1992 (12
5 U.S.C. 1701z-16) is amended by adding at the end the
6 following new subsection:

7 “(g) EDUCATION AND OUTREACH CAMPAIGN.—

8 “(1) DEVELOPMENT OF ENERGY- AND LOCA-
9 TION-EFFICIENT MORTGAGES OUTREACH PRO-
10 GRAM.—

11 “(A) COMMISSION.—The Secretary, in con-
12 sultation and coordination with the Secretary of
13 Energy, the Secretary of Education, the Sec-
14 retary of Agriculture, and the Administrator of
15 the Environmental Protection Agency, shall es-
16 tablish a commission to develop and recommend
17 model mortgage products and underwriting
18 guidelines that provide market-based incentives
19 to prospective home buyers, lenders, and sellers
20 to incorporate energy efficiency upgrades and
21 location efficiencies in new mortgage loan trans-
22 actions.

23 “(B) REPORT.—Not later than 24 months
24 after the date of the enactment of this Act, the
25 Secretary shall provide a written report to the
26 Congress on the results of work of the commis-

1 sion established pursuant to subparagraph (A)
2 and that identifies model mortgage products
3 and underwriting guidelines that may encour-
4 age energy and location efficiency.

5 “(2) IMPLEMENTATION.—After submission of
6 the report under paragraph (1)(B), the Secretary, in
7 consultation and coordination with the Secretary of
8 Energy, the Secretary of Education, and the Admin-
9 istrator of the Environmental Protection Agency,
10 shall carry out a public awareness, education, and
11 outreach campaign based on the findings of the com-
12 mission established pursuant to paragraph (1) to in-
13 form and educate residential lenders and prospective
14 borrowers regarding the availability, benefits, advan-
15 tages, and terms of energy-efficient mortgages and
16 location-efficient mortgages made available pursuant
17 to this section, energy-efficient and location-efficient
18 mortgages that meet the requirements of section
19 1335 of the Housing and Community Development
20 Act of 1992 (42 U.S.C. 4565), and other mortgages,
21 including mortgages for multifamily housing, that
22 have energy improvement features or location effi-
23 ciency features and to publicize such availability,
24 benefits, advantages, and terms. Such actions may
25 include entering into a contract with an appropriate

1 entity to publicize and market such mortgages
2 through appropriate media.

3 “(3) RENEWABLE ENERGY HOME PRODUCT
4 EXPOS.—The Congress hereby encourages the Sec-
5 retary of Housing and Urban Development to work
6 with appropriate entities to organize and hold renew-
7 able energy expositions that provide an opportunity
8 for the public to view and learn about renewable en-
9 ergy products for the home that are currently on the
10 market.

11 “(4) AUTHORIZATION OF APPROPRIATIONS.—
12 There is authorized to be appropriated to the Sec-
13 retary to carry out this subsection \$5,000,000 for
14 each of fiscal years 2010 through 2014.”.

15 **SEC. 290. COLLECTION OF INFORMATION ON ENERGY-EFFI-**
16 **CIENT AND LOCATION-EFFICIENT MORT-**
17 **GAGES THROUGH HOME MORTGAGE DISCLO-**
18 **SURE ACT.**

19 (a) IN GENERAL.—Section 304(b) of the Home Mort-
20 gage Disclosure Act of 1975 (12 U.S.C. 2803(b)) is
21 amended—

22 (1) in paragraph (3), by striking “and” at the
23 end;

24 (2) in paragraph (4), by striking the period at
25 the end and inserting a semicolon; and

1 (3) by adding at the end the following new
2 paragraphs:

3 “(5) the number and dollar amount of mort-
4 gage loans for single-family housing and for multi-
5 family housing that are energy-efficient mortgages
6 (as such term is defined in section 1335 of Housing
7 and Community Development Act of 1992); and

8 “(6) the number and dollar amount of mort-
9 gage loans for single-family housing and for multi-
10 family housing that are location-efficient mortgages
11 (as such term is defined in section 1335 of Housing
12 and Community Development Act of 1992).”.

13 (b) **APPLICABILITY.**—The amendment made by sub-
14 section (a) shall apply with respect to the first calendar
15 year that begins after the expiration of the 30-day period
16 beginning on the date of the enactment of this Act.

17 **SEC. 291. ENSURING AVAILABILITY OF HOMEOWNERS IN-**
18 **SURANCE FOR HOMES NOT CONNECTED TO**
19 **ELECTRICITY GRID.**

20 (a) **CONGRESSIONAL INTENT.**—The Congress intends
21 that—

22 (1) consumers shall not be denied homeowners
23 insurance for a dwelling (as such term is defined in
24 subsection (c)) based solely on the fact that the
25 dwelling is not connected to or able to receive elec-

1 tricity service from any wholesale or retail electric
2 power provider;

3 (2) States should ensure that consumers are
4 able to obtain homeowners insurance for such dwell-
5 ings;

6 (3) States should support insurers that develop
7 voluntary incentives to provide such insurance; and

8 (4) States may not prohibit insurers from offer-
9 ing a homeowners insurance product specifically de-
10 signed for such dwellings.

11 (b) INSURING HOMES AND RELATED PROPERTY IN
12 INDIAN AREAS.—Notwithstanding any other provision of
13 law, dwellings located in Indian areas (as such term is de-
14 fined in section 4 of the Native American Housing Assist-
15 ance and Self-Determination Act of 1996 (25 U.S.C.
16 4103)) and constructed or maintained using assistance,
17 loan guarantees, or other authority under the Native
18 American Housing Assistance and Self-Determination Act
19 of 1996 may be insured by any tribally owned self-insur-
20 ance risk pool approved by the Secretary of Housing and
21 Urban Development.

22 (c) DWELLING.—For purposes of this section, the
23 term “dwelling” means a residential structure that—

24 (1) consists of one to four dwelling units;

1 (2) is provided electricity from renewable en-
2 ergy sources; and

3 (3) is not connected to any wholesale or retail
4 electrical power grid.

5 **SEC. 292. MORTGAGE INCENTIVES FOR ENERGY-EFFICIENT**
6 **MULTIFAMILY HOUSING.**

7 (a) IN GENERAL.—The Secretary of Housing and
8 Urban Development shall establish incentives for increas-
9 ing the energy efficiency of multifamily housing that is
10 subject to a mortgage to be insured under title II of the
11 National Housing Act (12 U.S.C. 1707 et seq.) so that
12 the housing meets the energy efficiency standards under
13 section 284(a) of this subtitle and incentives to encourage
14 compliance of such housing with the energy efficiency and
15 conservation standards, and the green building standards,
16 under section 284(b) of this subtitle, to the extent that
17 such incentives are based on the impact that savings on
18 utility costs has on the operating costs of the housing, as
19 determined by the Secretary.

20 (b) INCENTIVES.—Such incentives may include, for
21 any such multifamily housing that complies with the en-
22 ergy efficiency standards under section 284(a)—

23 (1) providing a discount on the chargeable pre-
24 miums for the mortgage insurance for such housing

1 from the amount otherwise chargeable for such
2 mortgage insurance;

3 (2) allowing mortgages to exceed the dollar
4 amount limits otherwise applicable under law to the
5 extent such additional amounts are used to finance
6 improvements or measures designed to meet the
7 standards referred to in subsection (a); and

8 (3) reducing the amount that the owner of such
9 multifamily housing meeting the standards referred
10 to in subsection (a) is required to contribute.

11 **SEC. 293. ENERGY-EFFICIENT CERTIFICATIONS FOR MANU-**
12 **FACTURED HOUSING WITH MORTGAGES.**

13 Section 526 of the National Housing Act (12 U.S.C.
14 1735f-4(a)) is amended—

15 (1) in subsection (a)—

16 (A) by striking “, other than manufactured
17 homes,” each place such term appears;

18 (B) by inserting after the period at the end
19 the following: “The energy performance require-
20 ments developed and established by the Sec-
21 retary under this section for manufactured
22 homes shall require energy star rating for wall
23 fixtures, appliances, and equipment in such
24 housing.”;

25 (C) by inserting “(1)” after “(a)”; and

1 (D) by adding at the end the following new
2 paragraphs:

3 “(2) The Secretary shall require, with respect to any
4 single- or multi-family residential housing subject to a
5 mortgage insured under this Act, that any approval or cer-
6 tification of the housing for meeting any energy efficiency
7 or conservation criteria, standards, or requirements pursu-
8 ant to this title and any approval or certification required
9 pursuant to this title with respect to energy-conserving im-
10 provements or any renewable energy sources, such as
11 wind, solar energy geothermal, or biomass, shall be con-
12 ducted only by an individual certified by a home energy
13 rating system provider who has been accredited to conduct
14 such ratings by the Home Energy Ratings System Coun-
15 cil, the Residential Energy Services Network, or such
16 other appropriate national organization, as the Secretary
17 may provide, or by licensed professional architect or engi-
18 neer. If any organization makes a request to the Secretary
19 for approval to accredit individuals to conduct energy effi-
20 ciency or conservation ratings, the Secretary shall review
21 and approve or disapprove such request not later than the
22 expiration of the 6-month period beginning upon receipt
23 of such request.

24 “(3) The Secretary shall periodically examine the
25 method used to conduct inspections for compliance with

1 the requirements under this section, analyze various other
2 approaches for conducting such inspections, and review
3 the costs and benefits of the current method compared
4 with other methods.”; and

5 (2) in subsection (b), by striking “, other than
6 a manufactured home,”.

7 **SEC. 294. ASSISTED HOUSING ENERGY LOAN PILOT PRO-**
8 **GRAM.**

9 (a) **AUTHORITY.**—Not later than the expiration of
10 the 12-month period beginning on the date of the enact-
11 ment of this Act, the Secretary shall develop and imple-
12 ment a pilot program under this section to facilitate the
13 financing of cost-effective capital improvements for cov-
14 ered assisted housing projects to improve the energy effi-
15 ciency and conservation of such projects.

16 (b) **LOANS.**—The pilot program under this section
17 shall involve not less than three and not more than five
18 lenders, and shall provide for a privately financed loan to
19 be made for a covered assisted housing project, which
20 shall—

21 (1) finance capital improvements for the project
22 that meet such requirements as the Secretary shall
23 establish, and may involve contracts with third par-
24 ties to perform such capital improvements, including

1 the design of such improvements by licensed profes-
2 sional architects or engineers;

3 (2) have a term to maturity of not more than
4 20 years, which shall be based upon the duration
5 necessary to realize cost savings sufficient to repay
6 the loan;

7 (3) be secured by a mortgage subordinate to the
8 mortgage for the project that is insured under the
9 National Housing Act; and

10 (4) provide for a reduction in the remaining
11 principal obligation under the loan based on the ac-
12 tual resulting cost savings realized from the capital
13 improvements financed with the loan.

14 (c) UNDERWRITING STANDARDS.—The Secretary
15 shall establish underwriting requirements for loans made
16 under the pilot program under this section, which shall—

17 (1) require the cost savings projected to be real-
18 ized from the capital improvements financed with
19 the loan, during the term of the loan, to exceed the
20 costs of repaying the loan;

21 (2) allow the designer or contractor involved in
22 designing capital improvements to be financed with
23 a loan under the program to carry out such capital
24 improvements; and

1 (3) include such energy, audit, property, finan-
2 cial, ownership, and approval requirements as the
3 Secretary considers appropriate.

4 (d) TREATMENT OF SAVINGS.—The pilot program
5 under this section shall provide that the project owner
6 shall receive the full financial benefit from any reduction
7 in the cost of utilities resulting from capital improvements
8 financed with a loan made under the program.

9 (e) COVERED ASSISTED HOUSING PROJECTS.—For
10 purposes of this section, the term “covered assisted hous-
11 ing project” means a housing project that—

12 (1) is financed by a loan or mortgage that is—

13 (A) insured by the Secretary under—

14 (i) subsection (d)(3) of section 221 of
15 the National Housing Act (12 U.S.C.
16 17151), and bears interest at a rate deter-
17 mined under the proviso of section
18 221(d)(5) of such Act; or

19 (ii) subsection (d)(4) of such section
20 221.

21 (B) insured or assisted under section 236
22 of the National Housing Act (12 U.S.C. 1715z-
23 1);

24 (2) at the time a loan under this section is
25 made, is provided project-based rental assistance

1 under section 8 of the United States Housing Act of
2 1937 (42 U.S.C. 1437f) for 50 percent or more of
3 the dwelling units in the project; and

4 (3) is not a housing project owned or held by
5 the Secretary, or subject to a mortgage held by the
6 Secretary.

7 **SEC. 295. MAKING IT GREEN.**

8 (a) PARTNERSHIPS WITH TREE-PLANTING ORGANI-
9 ZATIONS.—The Secretary shall establish and provide in-
10 centives for developers of housing for which any HUD fi-
11 nancial assistance, as determined by the Secretary, is pro-
12 vided for development, maintenance, operation, or other
13 costs, to enter into agreements and partnerships with tree-
14 planting organizations, nurseries, and landscapers to cer-
15 tify that trees, shrubs, grasses, and other plants are plant-
16 ed in the proper manner, are provided adequate mainte-
17 nance, and survive for at least 3 years after planting or
18 are replaced. The financial assistance determined by the
19 Secretary as eligible under this section shall take into con-
20 sideration such factors as cost effectiveness and afford-
21 ability.

22 (b) MAKING IT GREEN PLAN.—In the case of any
23 new or substantially rehabilitated housing for which HUD
24 financial assistance, as determined in accordance with
25 subsection (a), is provided by the Secretary for the devel-

1 opment, construction, maintenance, rehabilitation, im-
2 provement, operation, or costs of the housing, including
3 financial assistance provided through the Community De-
4 velopment Block Grant program under title I of the Hous-
5 ing and Community Development Act of 1974 (42 U.S.C.
6 5301 et seq.), the Secretary shall require the development
7 of a plan that provides for—

8 (1) in the case of new construction and im-
9 provements, siting of such housing and improve-
10 ments in a manner that provides for energy effi-
11 ciency and conservation to the extent feasible, taking
12 into consideration location and project type;

13 (2) minimization of the effects of construction,
14 rehabilitation, or other development on the condition
15 of existing trees;

16 (3) selection and installation of indigenous
17 trees, shrubs, grasses, and other plants based upon
18 applicable design guidelines and standards of the
19 International Society for Arboriculture;

20 (4) post-planting care and maintenance of the
21 landscaping relating to or affected by the housing in
22 accordance with best management practices; and

23 (5) establishment of a goal for minimum
24 greenspace or tree canopy cover for the housing site
25 for which such financial assistance is provided, in-

1 including guidelines and timetables within which to
2 achieve compliance with such minimum require-
3 ments.

4 (c) PARTNERSHIPS.—In carrying out this section, the
5 Secretary is encouraged to consult, as appropriate, with
6 national organizations dedicated to providing housing as-
7 sistance and related services to low-income families, such
8 as the Alliance for Community Trees and its affiliates, the
9 American Nursery and Landscape Association, the Amer-
10 ican Society of Landscape Architects, and the National
11 Arbor Day Foundation.

12 **SEC. 296. RESIDENTIAL ENERGY EFFICIENCY BLOCK**
13 **GRANT PROGRAM.**

14 Title I of the Housing and Community Development
15 Act of 1974 (42 U.S.C. 5301 et seq.) is amended by add-
16 ing at the end the following new section:

17 **“SEC. 123. RESIDENTIAL ENERGY EFFICIENCY BLOCK**
18 **GRANT PROGRAM.**

19 “(a) IN GENERAL.—To the extent amounts are made
20 available for grants under this section, the Secretary shall
21 make grants under this section to States, metropolitan cit-
22 ies and urban counties, Indian tribes, and insular areas
23 to carry out energy efficiency improvements in new and
24 existing single-family and multifamily housing.

25 “(b) ALLOCATIONS.—

1 “(1) IN GENERAL.—Of the total amount made
2 available for each fiscal year for grants under this
3 section that remains after reserving amounts pursu-
4 ant to paragraph (2), the Secretary shall allocate for
5 insular areas, for metropolitan cities and urban
6 counties, and for States, an amount that bears the
7 same ratio to such total amount as the amount allo-
8 cated for such fiscal year under section 106 for In-
9 dian tribes, for insular areas, for metropolitan cities
10 and urban counties, and for States, respectively,
11 bears to the total amount made available for such
12 fiscal year for grants under section 106.

13 “(2) SET ASIDE FOR INDIAN TRIBES.—Of the
14 total amount made available for each fiscal year for
15 grants under this section, the Secretary shall allo-
16 cate not less than 1 percent to Indian tribes.

17 “(c) GRANT AMOUNTS.—

18 “(1) ENTITLEMENT COMMUNITIES.—From the
19 amounts allocated pursuant to subsection (b) for
20 metropolitan cities and urban counties for each fiscal
21 year, the Secretary shall make a grant for such fis-
22 cal year to each metropolitan city and urban county
23 that complies with the requirement under subsection
24 (d), in the amount that bears the same ratio such
25 total amount so allocated as the amount of the grant

1 for such fiscal year under section 106 for such met-
2ropolitan city or urban county bears to the aggre-
3gate amount of all grants for such fiscal year under
4section 106 for all metropolitan cities and urban
5counties.

6 “(2) STATES.—From the amounts allocated
7pursuant to subsection (b) for States for each fiscal
8year, the Secretary shall make a grant for such fis-
9cal year to each State that complies with the re-
10quirement under subsection (d), in the amount that
11bears the same ratio such total amount so allocated
12as the amount of the grant for such fiscal year
13under section 106 for such State bears to the aggre-
14gate amount of all grants for such fiscal year under
15section 106 for all States. Grant amounts received
16by a State shall be used only for eligible activities
17under subsection (e) carried out in nonentitlement
18areas of the State.

19 “(3) INDIAN TRIBES.—From the amounts allo-
20cated pursuant to subsection (b) for Indian tribes,
21the Secretary shall make grants to Indian tribes that
22comply with the requirement under subsection (d) on
23the basis of a competition conducted pursuant to
24specific criteria, as the Secretary shall establish by

1 regulation, for the selection of Indian tribes to re-
2 ceive such amount.

3 “(4) INSULAR AREAS.—From the amounts allo-
4 cated pursuant to subsection (b) for insular areas,
5 the Secretary shall make a grant to each insular
6 area that complies with the requirement under sub-
7 section (d) on the basis of the ratio of the population
8 of the insular area to the aggregate population of all
9 insular areas. In determining the distribution of
10 amounts to insular areas, the Secretary may also in-
11 clude other statistical criteria as data become avail-
12 able from the Bureau of Census of the Department
13 of Labor, but only if such criteria are set forth by
14 regulation issued after notice and an opportunity for
15 comment.

16 “(d) STATEMENT OF ACTIVITIES.—

17 “(1) REQUIREMENT.—Before receipt the re-
18 ceipt in any fiscal year of a grant under subsection
19 (c) by any grantee, the grantee shall have prepared
20 a final statement of housing energy efficiency objec-
21 tives and projected use of funds as the Secretary
22 shall require and shall have provided the Secretary
23 with such certifications regarding such objectives
24 and use as the Secretary may require. In the case
25 of metropolitan cities, urban counties, units of gen-

1 eral local government, and insular areas receiving
2 grants, the statement of projected use of funds shall
3 consist of proposed housing energy efficiency activi-
4 ties. In the case of States receiving grants, the state-
5 ment of projected use of funds shall consist of the
6 method by which the States will distribute funds to
7 units of general local government.

8 “(2) PUBLIC PARTICIPATION.—The Secretary
9 may establish requirements to ensure the public
10 availability of information regarding projected use of
11 grant amounts and public participation in deter-
12 mining such projected use.

13 “(e) ELIGIBLE ACTIVITIES.—

14 “(1) REQUIREMENT.—Amounts from a grant
15 under this section may be used only to carry out ac-
16 tivities for single-family or multifamily housing that
17 are designed to improve the energy efficiency of the
18 housing so that the housing complies with the en-
19 ergy efficiency standards under section 284(a) of the
20 Green Resources for Energy Efficient Neighbor-
21 hoods Act of 2009, including such activities to pro-
22 vide energy for such housing from renewable
23 sources, such as wind, waves, solar, biomass, and
24 geothermal sources.

1 “(2) PREFERENCE FOR COMPLIANCE BEYOND
2 BASIC REQUIREMENTS.—In selecting activities to be
3 funded with amounts from a grant under this sec-
4 tion, a grantee shall give more preference to activi-
5 ties based on the extent to which the activities will
6 result in compliance by the housing with the en-
7 hanced energy efficiency and conservation standards,
8 and the green building standards, under section
9 284(b) of such Act.

10 “(f) REPORTS.—Each grantee of a grant under this
11 section for a fiscal year shall submit to the Secretary, at
12 a time determined by the Secretary, a performance and
13 evaluation report concerning the use of grant amounts,
14 which shall contain an assessment by the grantee of the
15 relationship of such use to the objectives identified in the
16 grantees statement under subsection (d).

17 “(g) APPLICABILITY OF CDBG PROVISIONS.—Sec-
18 tions 109, 110, and 111 of the Housing and Community
19 Development Act of 1974 (42 U.S.C. 5309, 5310, 5311)
20 shall apply to assistance received under this section to the
21 same extent and in the same manner that such sections
22 apply to assistance received under title I of such Act.

23 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
24 is authorized to be appropriated for grants under this sec-

1 tion \$2,500,000,000 for fiscal year 2010 and such sums
2 as may be necessary for each fiscal year thereafter.”.

3 **SEC. 297. INCLUDING SUSTAINABLE DEVELOPMENT AND**
4 **TRANSPORTATION STRATEGIES IN COM-**
5 **PREHENSIVE HOUSING AFFORDABILITY**
6 **STRATEGIES.**

7 Section 105(b) of the Cranston-Gonzalez National
8 Affordable Housing Act (42 U.S.C. 12705(b)) is amend-
9 ed—

10 (1) by striking “and” at the end of paragraph
11 (19);

12 (2) by striking the period at the end of para-
13 graph (20) and inserting “; and”;

14 (3) and by inserting after paragraph (20) the
15 following new paragraphs:

16 “(21) describe the jurisdiction’s strategies to
17 encourage sustainable development for affordable
18 housing, including single-family and multifamily
19 housing, as measured by—

20 “(A) greater energy efficiency and use of
21 renewable energy sources, including any strate-
22 gies regarding compliance with the energy effi-
23 ciency standards under section 284(a) of the
24 Green Resources for Energy Efficient Neigh-
25 borhoods Act of 2009 and with the enhanced

1 energy efficiency and conservation standards,
2 and the green building standards, under section
3 284(b) of such Act;

4 “(B) increased conservation, recycling, and
5 reuse of resources;

6 “(C) more effective use of existing infra-
7 structure;

8 “(D) use of building materials and meth-
9 ods that are healthier for residents of the hous-
10 ing, including use of building materials that are
11 free of added known carcinogens that are classi-
12 fied as Group 1 Known Carcinogens by the
13 International Agency for Research on Cancer;
14 and

15 “(E) such other criteria as the Secretary
16 determines, in consultation with the Secretary
17 of Energy, the Secretary of Agriculture, and the
18 Administrator of the Environmental Protection
19 Agency, are in accordance with the purposes of
20 this paragraph; and

21 “(22) describe the jurisdiction’s efforts to co-
22 ordinate its housing strategy with its transportation
23 planning strategies to ensure to the extent prac-
24 ticable that residents of affordable housing have ac-
25 cess to public transportation.”.

1 **SEC. 298. GRANT PROGRAM TO INCREASE SUSTAINABLE**
2 **LOW-INCOME COMMUNITY DEVELOPMENT**
3 **CAPACITY.**

4 (a) IN GENERAL.—The Secretary may make grants
5 to nonprofit organizations to use for any of the following
6 purposes:

7 (1) Training, educating, supporting, or advising
8 an eligible community development organization or
9 qualified youth service and conservation corps in im-
10 proving energy efficiency, resource conservation and
11 reuse, design strategies to maximize energy effi-
12 ciency, installing or constructing renewable energy
13 improvements (such as wind, wave, solar, biomass,
14 and geothermal energy sources), and effective use of
15 existing infrastructure in affordable housing and
16 economic development activities in low-income com-
17 munities, taking into consideration energy efficiency
18 standards under section 284(a) of this subtitle and
19 with the enhanced energy efficiency and conservation
20 standards, and the green building standards, under
21 section 284(b) of this subtitle.

22 (2) Providing loans, grants, or predevelopment
23 assistance to eligible community development organi-
24 zations or qualified youth service and conservation
25 corps to carry out energy efficiency improvements
26 that comply with the energy efficiency standards

1 under section 284(a) of this subtitle, resource con-
2 servation and reuse, and effective use of existing in-
3 frastructure in affordable housing and economic de-
4 velopment activities in low-income communities. In
5 providing assistance under this paragraph, the Sec-
6 retary shall give more preference to activities based
7 on the extent to which the activities will result in
8 compliance with the enhanced energy efficiency and
9 conservation standards, and the green building
10 standards, under section 284(b) of this subtitle.

11 (3) Such other purposes as the Secretary deter-
12 mines are in accordance with the purposes of this
13 subsection.

14 (b) APPLICATION REQUIREMENT.—To be eligible for
15 a grant under this section, a nonprofit organization shall
16 prepare and submit to the Secretary an application at
17 such time, in such manner, and containing such informa-
18 tion as the Secretary may require.

19 (c) AWARD OF CONTRACTS.—Contracts for architec-
20 tural or engineering services funded with amounts from
21 grants made under this section shall be awarded in accord-
22 ance with chapter 11 of title 40, United States Code (re-
23 lating to selection of architects and engineers).

24 (d) MATCHING REQUIREMENT.—A grant made under
25 this section may not exceed the amount that the nonprofit

1 organization receiving the grant certifies, to the Secretary,
2 will be provided (in cash or in-kind) from nongovernmental
3 sources to carry out the purposes for which the grant is
4 made.

5 (e) DEFINITIONS.—For purposes of this section, the
6 following definitions shall apply:

7 (1) The term “nonprofit organization” has the
8 meaning given such term in section 104 of the Cran-
9 ston-Gonzalez National Affordable Housing Act (42
10 U.S.C. 12704).

11 (2) The term “eligible community development
12 organization” means—

13 (A) a unit of general local government (as
14 defined in section 104 of the Cranston-Gonzalez
15 National Affordable Housing Act (42 U.S.C.
16 12704));

17 (B) a community housing development or-
18 ganization (as defined in section 104 of the
19 Cranston-Gonzalez National Affordable Hous-
20 ing Act (42 U.S.C. 12704));

21 (C) an Indian tribe or tribally designated
22 housing entity (as such terms are defined in
23 section 4 of the Native American Housing As-
24 sistance and Self-Determination Act of 1996
25 (25 U.S.C. 4103)); or

1 (D) a public housing agency, as such term
2 is defined in section 3(b) of the United States
3 Housing Act of 1937 (42 U.S.C. 1437(b)).

4 (3) The term “low-income community” means a
5 census tract in which 50 percent or more of the
6 households have an income which is less than 80
7 percent of the greater of—

8 (A) the median gross income for such year
9 for the area in which such census tract is lo-
10 cated; or

11 (B) the median gross income for such year
12 for the State in which such census tract is lo-
13 cated.

14 (f) AUTHORIZATION OF APPROPRIATIONS.—There
15 are authorized to be appropriated to the Secretary to carry
16 out this section \$10,000,000 for each of fiscal years 2010
17 through 2014.

18 **SEC. 299. HOPE VI GREEN DEVELOPMENTS REQUIREMENT.**

19 (a) MANDATORY COMPONENT.—Section 24(e) of the
20 United States Housing Act of 1937 (42 U.S.C. 1437v(e))
21 is amended by adding at the end the following new para-
22 graph:

23 “(4) GREEN DEVELOPMENTS REQUIREMENT.—

24 “(A) REQUIREMENT.—The Secretary may
25 not make a grant under this section to an appli-

1 cant unless the proposed revitalization plan of
2 the applicant to be carried out with such grant
3 amounts meets the following requirements:

4 “(i) GREEN COMMUNITIES CRITERIA
5 CHECKLIST.—All residential construction
6 under the proposed plan complies with the
7 national Green Communities criteria
8 checklist for residential construction that
9 provides criteria for the design, develop-
10 ment, and operation of affordable housing,
11 as such checklist is in effect for purposes
12 of this paragraph pursuant to subpara-
13 graph (D) at the date of the application
14 for the grant, or any substantially equiva-
15 lent standard or standards as determined
16 by the Secretary, as follows:

17 “(I) The proposed plan shall
18 comply with all items of the national
19 Green Communities criteria checklist
20 for residential construction that are
21 identified as mandatory.

22 “(II) The proposed plan shall
23 comply with such other nonmandatory
24 items of such national Green Commu-
25 nities criteria checklist so as to result

1 in a cumulative number of points at-
2 tributable to such nonmandatory
3 items under such checklist of not less
4 than—

5 “(aa) 25 points, in the case
6 of any proposed plan (or portion
7 thereof) consisting of new con-
8 struction; and

9 “(bb) 20 points, in the case
10 of any proposed plan (or portion
11 thereof) consisting of rehabilita-
12 tion.

13 “(ii) GREEN BUILDINGS CERTIFI-
14 CATION SYSTEM.—All nonresidential con-
15 struction under the proposed plan complies
16 with all minimum required levels of the
17 green building rating systems and levels
18 identified by the Secretary pursuant to
19 subparagraph (C), as such systems and
20 levels are in effect for purposes of this
21 paragraph pursuant to subparagraph (D)
22 at the time of the application for the
23 grant.

24 “(B) VERIFICATION.—

1 “(i) IN GENERAL.—The Secretary
2 shall verify, or provide for verification, suf-
3 ficient to ensure that each proposed re-
4 vitalization plan carried out with amounts
5 from a grant under this section complies
6 with the requirements under subparagraph
7 (A) and that the revitalization plan is car-
8 ried out in accordance with such require-
9 ments and plan.

10 “(ii) TIMING.—In providing for such
11 verification, the Secretary shall establish
12 procedures to ensure such compliance with
13 respect to each grantee, and shall report to
14 the Congress with respect to the compli-
15 ance of each grantee, at each of the fol-
16 lowing times:

17 “(I) Not later than 6 months
18 after execution of the grant agreement
19 under this section for the grantee.

20 “(II) Upon completion of the re-
21 vitalization plan of the grantee.

22 “(C) IDENTIFICATION OF GREEN BUILD-
23 INGS RATING SYSTEMS AND LEVELS.—

24 “(i) IN GENERAL.—For purposes of
25 this paragraph, the Secretary shall identify

1 rating systems and levels for green build-
2 ings that the Secretary determines to be
3 the most likely to encourage a comprehen-
4 sive and environmentally sound approach
5 to ratings and standards for green build-
6 ings. The identification of the ratings sys-
7 tems and levels shall be based on the cri-
8 teria specified in clause (ii), shall identify
9 the highest levels the Secretary determines
10 are appropriate above the minimum levels
11 required under the systems selected. With-
12 in 90 days of the completion of each study
13 required by clause (iii), the Secretary shall
14 review and update the rating systems and
15 levels, or identify alternative systems and
16 levels for purposes of this paragraph, tak-
17 ing into account the conclusions of such
18 study.

19 “(ii) CRITERIA.—In identifying the
20 green rating systems and levels, the Sec-
21 retary shall take into consideration—

22 “(I) the ability and availability of
23 assessors and auditors to independ-
24 ently verify the criteria and measure-

1 ment of metrics at the scale necessary
2 to implement this paragraph;

3 “(II) the ability of the applicable
4 ratings system organizations to collect
5 and reflect public comment;

6 “(III) the ability of the standards
7 to be developed and revised through a
8 consensus-based process;

9 “(IV) An evaluation of the
10 robustness of the criteria for a high-
11 performance green building, which
12 shall give credit for promoting—

13 “(aa) efficient and sustain-
14 able use of water, energy, and
15 other natural resources;

16 “(bb) use of renewable en-
17 ergy sources;

18 “(cc) improved indoor and
19 outdoor environmental quality
20 through enhanced indoor and
21 outdoor air quality, thermal com-
22 fort, acoustics, outdoor noise pol-
23 lution, day lighting, pollutant
24 source control, sustainable land-
25 scaping, and use of building sys-

1 tem controls and low- or no-emis-
2 sion materials, including pref-
3 erence for materials with no
4 added carcinogens that are classi-
5 fied as Group 1 Known Carcino-
6 gens by the International Agency
7 for Research on Cancer; and

8 “(dd) such other criteria as
9 the Secretary determines to be
10 appropriate; and

11 “(V) national recognition within
12 the building industry.

13 “(iii) 5-YEAR EVALUATION.—At least
14 once every 5 years, the Secretary shall con-
15 duct a study to evaluate and compare
16 available third-party green building rating
17 systems and levels, taking into account the
18 criteria listed in clause (ii).

19 “(D) APPLICABILITY AND UPDATING OF
20 STANDARDS.—

21 “(i) APPLICABILITY.—Except as pro-
22 vided in clause (ii) of this subparagraph,
23 the national Green Communities criteria
24 checklist and green building rating systems
25 and levels referred to in clauses (i) and (ii)

1 of subparagraph (A) that are in effect for
2 purposes of this paragraph are such check-
3 list systems, and levels as in existence
4 upon the date of the enactment of the
5 Green Resources for Energy Efficient
6 Neighborhoods Act of 2009.

7 “(ii) UPDATING.—The Secretary may,
8 by regulation, adopt and apply, for pur-
9 poses of this paragraph, future amend-
10 ments and supplements to, and editions of,
11 the national Green Communities criteria
12 checklist, any standard or standards that
13 the Secretary has determined to be sub-
14 stantially equivalent to such checklist, and
15 the green building ratings systems and lev-
16 els identified by the Secretary pursuant to
17 subparagraph (C).”.

18 (b) SELECTION CRITERIA; GRADED COMPONENT.—
19 Section 24(e)(2) of the United States Housing Act of
20 1937 (42 U.S.C. 1437v(e)(2)) is amended—

21 (1) in subparagraph (K), by striking “and” at
22 the end;

23 (2) by redesignating subparagraph (L) as sub-
24 paragraph (M); and

1 (3) by inserting after subparagraph (K) the fol-
2 lowing new subparagraph:

3 “(L) the extent to which the proposed re-
4 talization plan—

5 “(i) in the case of residential con-
6 struction, complies with the nonmandatory
7 items of the national Green Communities
8 criteria checklist identified in paragraph
9 (4)(A)(i), or any substantially equivalent
10 standard or standards as determined by
11 the Secretary, but only to the extent such
12 compliance exceeds the compliance nec-
13 essary to accumulate the number of points
14 required under such paragraph; and

15 “(ii) in the case of nonresidential con-
16 struction, complies with the components of
17 the green building rating systems and lev-
18 els identified by the Secretary pursuant to
19 paragraph (4)(C), but only to the extent
20 such compliance exceeds the minimum level
21 required under such systems and levels;
22 and”.

1 **SEC. 300. CONSIDERATION OF ENERGY EFFICIENCY IM-**
2 **PROVEMENTS IN APPRAISALS.**

3 (a) APPRAISALS IN CONNECTION WITH FEDERALLY
4 RELATED TRANSACTIONS.—

5 (1) REQUIREMENT.—Section 1110 of the Fi-
6 nancial Institutions Reform, Recovery, and Enforce-
7 ment Act of 1989 (12 U.S.C. 3339) is amended—

8 (A) in paragraph (1), by striking “and” at
9 the end;

10 (B) by redesignating paragraph (2) as
11 paragraph (3); and

12 (C) by inserting after paragraph (1) the
13 following new paragraph:

14 “(2) that such appraisals be performed in ac-
15 cordance with appraisal standards that require, in
16 determining the value of a property, consideration of
17 any renewable energy sources for, or energy effi-
18 ciency or energy-conserving improvements or fea-
19 tures of, the property; and”.

20 (2) REVISION OF APPRAISAL STANDARDS.—

21 Each Federal financial institutions regulatory agen-
22 cy shall, not later than 6 months after the date of
23 the enactment of this Act, revise its standards for
24 the performance of real estate appraisals in connec-
25 tion with federally related transactions under the ju-
26 risdiction of the agency to comply with the require-

1 ment under the amendments made by paragraph (1)
2 of this subsection.

3 (b) APPRAISER CERTIFICATION AND LICENSING RE-
4 QUIREMENTS.—Section 1116 of the Financial Institutions
5 Reform, Recovery, and Enforcement Act of 1989 (12
6 U.S.C. 3345) is amended—

7 (1) in subsection (a), by inserting before the pe-
8 riod at the end the following: “, and meets the re-
9 quirements established pursuant to subsection (f) for
10 qualifications regarding consideration of any renew-
11 able energy sources for, or energy efficiency or en-
12 ergy-conserving improvements or features of, the
13 property”;

14 (2) in subsection (c), by inserting before the pe-
15 riod at the end the following: “, which shall include
16 compliance with the requirements established pursu-
17 ant to subsection (f) regarding consideration of any
18 renewable energy sources for, or energy efficiency or
19 energy-conserving improvements or features of, the
20 property”;

21 (3) in subsection (e), by striking “The” and in-
22 serting “Except as provided in subsection (f), the”;
23 and

24 (4) by adding at the end the following new sub-
25 section:

1 “(f) REQUIREMENTS FOR APPRAISERS REGARDING
2 ENERGY EFFICIENCY FEATURES.—The Appraisal Sub-
3 committee shall establish requirements for State certifi-
4 cation of State certified real estate appraisers and for
5 State licensing of State licensed appraisers, to ensure that
6 appraisers consider and are qualified to consider, in deter-
7 mining the value of a property, any renewable energy
8 sources for, or energy efficiency or energy-conserving im-
9 provements or features of, the property.”.

10 (c) GUIDELINES FOR APPRAISING PHOTOVOLTAIC
11 MEASURES AND TRAINING OF APPRAISERS.—Section
12 1122 of the Financial Institutions Reform, Recovery, and
13 Enforcement Act of 1989 (12 U.S.C. 3351) is amended
14 by adding at the end the following new subsection:

15 “(g) GUIDELINES FOR APPRAISING PHOTOVOLTAIC
16 MEASURES AND TRAINING OF APPRAISERS.—The Ap-
17 praisal Subcommittee shall, in consultation with the Sec-
18 retary of Housing and Urban Development, the Federal
19 National Mortgage Association, and the Federal Home
20 Loan Mortgage Corporation, establish specific guidelines
21 for—

22 “(1) appraising off- and on-grid photovoltaic
23 measures for compliance with the appraisal stand-
24 ards prescribed pursuant to section 1110(2);

1 “(2) requirements under section 1116(f) for
2 certification of State certified real estate appraisers
3 and for State licensing of State licensed appraisers,
4 to ensure that appraisers consider, and are qualified
5 to consider, such photovoltaic measures in deter-
6 mining the value of a property; and

7 “(3) training of appraisers to meet the require-
8 ments established pursuant to paragraph (2) of this
9 subsection.”.

10 **SEC. 301. HOUSING ASSISTANCE COUNCIL.**

11 The Secretary shall require the Housing Assistance
12 Council—

13 (1) to encourage each organization that receives
14 assistance from the Council with any amounts made
15 available from the Secretary to provide that any
16 structures and buildings developed or assisted under
17 projects, programs, and activities funded with such
18 amounts complies with the energy efficiency stand-
19 ards under section 284(a) of this subtitle; and

20 (2) to establish incentives to encourage each
21 such organization to provide that any such struc-
22 tures and buildings comply with the energy effi-
23 ciency and conservation standards, and the green
24 building standards, under section 284(b) of such
25 Act.

1 **SEC. 302. RURAL HOUSING AND ECONOMIC DEVELOPMENT**

2 **ASSISTANCE.**

3 The Secretary shall—

4 (1) require each tribe, agency, organization,
5 corporation, and other entity that receives any as-
6 sistance from the Office of Rural Housing and Eco-
7 nomic Development of the Department of Housing
8 and Urban Development to provide that any struc-
9 tures and buildings developed or assisted under ac-
10 tivities funded with such amounts complies with the
11 energy efficiency standards under section 284(a) of
12 this subtitle; and

13 (2) establish incentives to encourage each such
14 tribe, agency, organization, corporation, and other
15 entity to provide that any such structures and build-
16 ings comply with the enhanced energy efficiency and
17 conservation standards, and the green building
18 standards, under section 284(b) of such Act.

19 **SEC. 303. LOANS TO STATES AND INDIAN TRIBES TO CARRY**

20 **OUT RENEWABLE ENERGY SOURCES ACTIVI-**
21 **TIES.**

22 (a) **ESTABLISHMENT OF FUND.**—There is estab-
23 lished in the Treasury of the United States a fund, to be
24 known as the “Alternative Energy Sources State Loan
25 Fund”.

26 (b) **EXPENDITURES.**—

1 (1) IN GENERAL.—Subject to paragraph (2), on
2 request by the Secretary, the Secretary of the Treas-
3 ury shall transfer from the Fund to the Secretary
4 such amounts as the Secretary determines are nec-
5 essary to provide loans under subsection (c)(1).

6 (2) ADMINISTRATIVE EXPENSES.—Of the
7 amounts in the Fund, not more than 5 percent shall
8 be available for each fiscal year to pay the adminis-
9 trative expenses of the Department of Housing and
10 Urban Development to carry out this section.

11 (c) LOANS TO STATES AND INDIAN TRIBES.—

12 (1) IN GENERAL.—The Secretary shall use
13 amounts in the Fund to provide loans to States and
14 Indian tribes to provide incentives to owners of sin-
15 gles-family and multifamily housing, commercial
16 properties, and public buildings to provide—

17 (A) renewable energy sources for such
18 structures, such as wind, wave, solar, biomass,
19 or geothermal energy sources, including incen-
20 tives to companies and business to change their
21 source of energy to such renewable energy
22 sources and for changing the sources of energy
23 for public buildings to such renewable energy
24 sources;

1 (B) energy efficiency and energy con-
2 serving improvements and features for such
3 structures; or

4 (C) infrastructure related to the delivery of
5 electricity and hot water for structures lacking
6 such amenities.

7 (2) ELIGIBILITY.—To be eligible to receive a
8 loan under this subsection, a State or Indian tribe,
9 directly or through an appropriate State or tribal
10 agency, shall submit to the Secretary an application
11 at such time, in such manner, and containing such
12 information as the Secretary may require.

13 (3) CRITERIA FOR APPROVAL.—The Secretary
14 may approve an application of a State or Indian
15 tribe under paragraph (2) only if the Secretary de-
16 termines that the State or tribe will use the funds
17 from the loan under this subsection to carry out a
18 program to provide incentives described in para-
19 graph (1) that—

20 (A) requires that any such renewable en-
21 ergy sources, and energy efficiency and energy
22 conserving improvements and features, devel-
23 oped pursuant to assistance under the program
24 result in compliance of the structure so im-

1 proved with energy efficiency requirements de-
2 termined by the Secretary; and

3 (B) includes such compliance and audit re-
4 quirements as the Secretary determines are nec-
5 essary to ensure that the program is operated
6 in a sound and effective manner.

7 (4) PREFERENCE.—In making loans during
8 each fiscal year, the Secretary shall give preference
9 to States and Indian tribes that have not previously
10 received a loan under this subsection.

11 (5) MAXIMUM AMOUNT.—The aggregate out-
12 standing principal amount from loans under this
13 subsection to any single State or Indian tribe may
14 not exceed \$500,000,000.

15 (6) LOAN TERMS.—Each loan under this sub-
16 section shall have a term to maturity of not more
17 than 10 years and shall bear interest at annual rate,
18 determined by the Secretary, that shall not exceed
19 interest rate charged by the Federal Reserve Bank
20 of New York to commercial banks and other deposi-
21 tory institutions for very short-term loans under the
22 primary credit program, as most recently published
23 in the Federal Reserve Statistical Release on se-
24 lected interest rates (daily or weekly), and commonly
25 referred to as the H.15 release, preceding the date

1 of a determination for purposes of applying this
2 paragraph.

3 (7) LOAN REPAYMENT.—The Secretary shall
4 require full repayment of each loan made under this
5 section.

6 (d) INVESTMENT OF AMOUNTS.—

7 (1) IN GENERAL.—The Secretary of the Treas-
8 ury shall invest such amounts in the Fund that are
9 not, in the judgment of the Secretary of the Treas-
10 ury, required to meet needs for current withdrawals.

11 (2) OBLIGATIONS OF UNITED STATES.—Invest-
12 ments may be made only in interest-bearing obliga-
13 tions of the United States.

14 (e) REPORTS.—

15 (1) REPORTS TO SECRETARY.—For each year
16 during the term of a loan made under subsection
17 (c), the State or Indian tribe that received the loan
18 shall submit to the Secretary a report describing the
19 State or tribal alternative energy sources program
20 for which the loan was made and the activities con-
21 ducted under the program using the loan funds dur-
22 ing that year.

23 (2) REPORT TO CONGRESS.—Not later than
24 September 30 of each year that loans made under
25 subsection (c) are outstanding, the Secretary shall

1 submit a report to the Congress describing the total
2 amount of such loans provided under subsection (c)
3 to each eligible State and Indian tribe during the fis-
4 cal year ending on such date, and an evaluation on
5 effectiveness of the Fund.

6 (f) AUTHORIZATION OF APPROPRIATIONS.—There is
7 authorized to be appropriated to the Fund
8 \$5,000,000,000.

9 (g) DEFINITIONS.—For purposes of this section, the
10 following definitions shall apply:

11 (1) INDIAN TRIBE.—The term “Indian tribe”
12 has the meaning given such term in section 4 of the
13 Native American Housing Assistance and Self-De-
14 termination Act of 1996 (25 U.S.C. 4103).

15 (2) STATE.—The term “State” means each of
16 the several States, the Commonwealth of Puerto
17 Rico, the District of Columbia, the Commonwealth
18 of the Northern Mariana Islands, Guam, the Virgin
19 Islands, American Samoa, the Trust Territories of
20 the Pacific, or any other possession of the United
21 States.

22 **SEC. 304. GREEN BANKING CENTERS.**

23 (a) INSURED DEPOSITORY INSTITUTIONS.—Section 8
24 of the Federal Deposit Insurance Act (12 U.S.C. 1818)

1 is amended by adding at the end the following new sub-
2 section:

3 “(x) ‘GREEN BANKING’ CENTERS.—

4 “(1) IN GENERAL.—The Federal banking agen-
5 cies shall prescribe guidelines encouraging the estab-
6 lishment and maintenance of ‘green banking’ centers
7 by insured depository institutions to provide any
8 consumer who seeks information on obtaining a
9 mortgage, home improvement loan, home equity
10 loan, or renewable energy lease with additional infor-
11 mation on—

12 “(A) obtaining an home energy rating or
13 audit for the residence for which such mortgage
14 or loan is sought;

15 “(B) obtaining financing for cost-effective
16 energy-saving improvements to such property;
17 and

18 “(C) obtaining beneficial terms for any
19 mortgage or loan, or qualifying for a larger
20 mortgage or loan, secured by a residence which
21 meets or will meet energy efficiency standards.

22 “(2) INFORMATION AND REFERRALS.—The in-
23 formation made available to consumers under para-
24 graph (1) may include—

1 “(A) information on obtaining a home en-
2 ergy rating and contact information on quali-
3 fied energy raters in the area of the residence;

4 “(B) information on the secondary market
5 guidelines that permit lenders to provide more
6 favorable terms by allowing lenders to increase
7 the ratio on debt-to-income requirements or to
8 use the projected utility savings as a compen-
9 sating factor;

10 “(C) information including eligibility infor-
11 mation about, and contact information for, any
12 conservation or renewable energy programs,
13 grants, or loans offered by the Secretary of
14 Housing and Urban Development, including the
15 Energy Efficient Mortgage Program;

16 “(D) information including eligibility infor-
17 mation about, and contact information for, any
18 conservation or renewable energy programs,
19 grants, or loans offered for qualified military
20 personal, reservists, and veterans by the Sec-
21 retary of Veterans Affairs;

22 “(E) information about, and contact infor-
23 mation for, the Office of Efficiency and Renew-
24 able Energy at the Department of Energy, in-
25 cluding the weatherization assistance program;

1 “(F) information about, and contact infor-
2 mation for, the Energy Star Program of the
3 Environmental Protection Agency;

4 “(G) information from, and contact infor-
5 mation for, the Federal Citizen Information
6 Center of the General Services Administration
7 on energy-efficient mortgages and loans, home
8 energy rating systems, and the availability of
9 energy-efficient mortgage information from a
10 variety of Federal agencies; and

11 “(H) such other information as the agen-
12 cies or the insured depository institution may
13 determine to be appropriate or useful.”.

14 (b) INSURED CREDIT UNIONS.—Section 206 of the
15 Federal Credit Union Act (12 U.S.C. 1786) is amended
16 by adding at the end the following new subsection:

17 “(x) ‘GREEN BANKING’ CENTERS.—

18 “(1) IN GENERAL.—The Board shall prescribe
19 guidelines encouraging the establishment and main-
20 tenance of ‘green banking’ centers by insured credit
21 unions to provide any member who seeks informa-
22 tion on obtaining a mortgage, home improvement
23 loan, home equity loan, or renewable energy lease
24 with additional information on—

1 “(A) obtaining an home energy rating or
2 audit for the residence for which such mortgage
3 or loan is sought;

4 “(B) obtaining financing for cost-effective
5 energy-saving improvements to such property;
6 and

7 “(C) obtaining beneficial terms for any
8 mortgage or loan, or qualifying for a larger
9 mortgage or loan, secured by a residence which
10 meets or will meet energy efficiency standards.

11 “(2) INFORMATION AND REFERRALS.—The in-
12 formation made available to members under para-
13 graph (1) may include—

14 “(A) information on obtaining a home en-
15 ergy rating and contact information on quali-
16 fied energy raters in the area of the residence;

17 “(B) information on the secondary market
18 guidelines that permit lenders to provide more
19 favorable terms by allowing lenders to increase
20 the ratio on debt-to-income requirements or to
21 use the projected utility savings as a compen-
22 sating factor;

23 “(C) information including eligibility infor-
24 mation about, and contact information for, any
25 conservation or renewable energy programs,

1 grants, or loans offered by the Secretary of
2 Housing and Urban Development, including the
3 Energy Efficient Mortgage Program;

4 “(D) information including eligibility infor-
5 mation about, and contact information for, any
6 conservation or renewable energy programs,
7 grants, or loans offered for qualified military
8 personal, reservists, and veterans by the Sec-
9 retary of Veterans Affairs;

10 “(E) information about, and contact infor-
11 mation for, the Office of Efficiency and Renew-
12 able Energy at the Department of Energy, in-
13 cluding the weatherization assistance program;

14 “(F) information from, and contact infor-
15 mation for, the Federal Citizen Information
16 Center of the General Services Administration
17 on energy-efficient mortgages and loans, home
18 energy rating systems, and the availability of
19 energy-efficient mortgage information from a
20 variety of Federal agencies; and

21 “(G) such other information as the Board
22 or the insured credit union may determine to be
23 appropriate or useful.”.

1 **SEC. 305. GAO REPORTS ON AVAILABILITY OF AFFORDABLE**
2 **MORTGAGES.**

3 (a) STUDY.—The Comptroller General of the United
4 States shall periodically, as necessary to comply with sub-
5 section (b), examine the impact of this subtitle and the
6 amendments made by this subtitle on the availability of
7 affordable mortgages in various areas throughout the
8 United States, including cities having older infrastructure
9 and limited space for the development of new housing.

10 (b) TRIENNIAL REPORTS.—The Comptroller General
11 shall submit a report once every 3 years to the Committee
12 on Financial Services of the House of Representatives and
13 the Committee on Banking, Housing, and Urban Affairs
14 of the Senate that shall include—

15 (1) a detailed statement of the most recent
16 findings pursuant to subsection (a); and

17 (2) if the Comptroller General finds that this
18 subtitle or the amendments made by this subtitle
19 have directly or indirectly resulted in consequences
20 that limit the availability or affordability of mort-
21 gages in any area or areas within the United States,
22 including any city having older infrastructure and
23 limited space for the development of new housing,
24 any recommendations for any additional actions at
25 the Federal, State, or local levels that the Comp-

1 troller General considers necessary or appropriate to
2 mitigate such effects.

3 The first report under this subsection shall be submitted
4 not later than the expiration of the 3-year period begin-
5 ning on the date of the enactment of this Act.

6 **SEC. 306. PUBLIC HOUSING ENERGY COST REPORT.**

7 (a) COLLECTION OF INFORMATION BY HUD.—The
8 Secretary of Housing and Urban Development shall obtain
9 from each public housing agency, by such time as may
10 be necessary to comply with the reporting requirement
11 under subsection (b), information regarding the energy
12 costs for public housing administered or operated by the
13 agency. For each public housing agency, such information
14 shall include the monthly energy costs associated with
15 each separate building and development of the agency, for
16 the most recently completed 12-month period for which
17 such information is available, and such other information
18 as the Secretary determines is appropriate in determining
19 which public housing buildings and developments are most
20 in need of repairs and improvements to reduce energy
21 needs and costs and become more energy efficient.

22 (b) REPORT.—Not later than the expiration of the
23 12-month period beginning on the date of the enactment
24 of this Act, the Secretary of Housing and Urban Develop-

1 ment shall submit a report to the Congress setting forth
2 the information collected pursuant to subsection (a).

3 **SEC. 307. INSURANCE COVERAGE FOR LOANS FOR FINANC-**
4 **ING OF RENEWABLE ENERGY SYSTEMS**
5 **LEASED FOR RESIDENTIAL USE.**

6 (a) **PURPOSES.**—The purposes of this section are—

7 (1) to encourage residential use of renewable
8 energy systems by minimizing up-front costs and
9 providing immediate utility cost savings to con-
10 sumers through leasing of such systems to home-
11 owners;

12 (2) to reduce carbon emissions and the use of
13 nonrenewable resources;

14 (3) to encourage energy-efficient residential
15 construction and rehabilitation;

16 (4) to encourage the use of renewable resources
17 by homeowners;

18 (5) to minimize the impact of development on
19 the environment;

20 (6) to reduce consumer utility costs; and

21 (7) to encourage private investment in the
22 green economy.

23 (b) **AUTHORITY.**—The Secretary of Housing and
24 Urban Development may, upon application by an author-
25 ized renewable energy lender and in accordance with such

1 terms and conditions as the Secretary may prescribe, con-
2 sistent with the purposes of this section, make commit-
3 ments to insure, and insure, loans made by such lenders
4 to homebuilders, renewable energy installers or manufac-
5 turers, public or private corporations or partnerships, as-
6 sociations, trusts, or other qualified persons or entities,
7 to finance the acquisition of renewable energy systems for
8 lease to homeowners for use at their residences.

9 (c) EFFECTIVE DATE OF INSURANCE.—Insurance
10 provided pursuant to this section for a loan shall become
11 effective only upon the expiration of the 5-year period be-
12 ginning upon the original execution of a renewable energy
13 system lease (as such term is defined in subsection (p))
14 for the renewable energy system.

15 (d) LIMITATION ON PRINCIPAL AMOUNT.—

16 (1) LIMITATION.—The principal amount of the
17 loan insured under this section shall not exceed the
18 residual value of the renewable energy system.

19 (2) RESIDUAL VALUE.—For purposes of this
20 subsection—

21 (A) the residual value of a renewable en-
22 ergy system shall be the amount that is equal
23 to the fair market value of the future revenue
24 stream from the sale of the expected remaining
25 electricity production from the system, pursuant

1 to the easement granted in accordance with
2 subsection (e); and

3 (B) the fair market value of the future rev-
4 enue stream for each year of the remaining life
5 of the renewable energy system shall be deter-
6 mined based on the net present value of the re-
7 newable energy system manufacturer's power
8 output production warranty for the system and
9 the forecast of regional residential electricity
10 prices made by the Energy Information Admin-
11 istration of the Department of Energy.

12 (e) EASEMENT FOR SALE OF REMAINING ELEC-
13 TRICITY.—The Secretary may not insure a loan for financ-
14 ing of renewable energy systems under this section unless
15 the borrower under the loan ensures, in accordance with
16 such requirements as the Secretary shall establish, con-
17 sistent with the purposes of this section, that the systems
18 financed will be leased only to homeowners that grant
19 easements sufficient to provide for the sale of remaining
20 electricity production from the system to a wholesale or
21 retail electrical power grid.

22 (f) DISCOUNT OR PREPAYMENT.—To encourage utili-
23 zation of renewable energy systems, the Secretary shall en-
24 sure that a homebuilder's or other investor's discount or
25 prepayment of a homeowner's renewable energy system

1 lease shall not adversely affect that homeowner's mortgage
2 requirements.

3 (g) ELIGIBILITY OF LENDERS.—The Secretary may
4 not insure a loan under this section unless the lender mak-
5 ing the loan—

6 (1)(A) is an institution that qualifies as a green
7 banking center pursuant to section 8(x) of the Fed-
8 eral Deposit Insurance Act (12 U.S.C. 1818(x)) or
9 section 206(x) of the Federal Credit Union Act (12
10 U.S.C. 1786(x)); or

11 (B) meets such other requirements as the Sec-
12 retary shall establish for participation of renewable
13 energy lenders in the program under this section;
14 and

15 (2) meets such qualifications as the Secretary
16 shall establish for all lenders for participation in the
17 program under this section and is approved by the
18 Secretary as meeting such qualifications.

19 (h) CERTIFICATE OF INSURANCE.—Insurance of a
20 loan under this section shall be evidenced by a certificate
21 of insurance coverage issued by the Secretary to the lender
22 under the loan. Such certificate shall set forth the fair
23 market value of the future revenue stream for each year
24 of the remaining life of the renewable energy system as
25 determined in accordance with subsection (d).

1 (i) PAYMENT OF INSURANCE.—

2 (1) IN GENERAL.—The Secretary shall provide
3 for the filing of claims for insurance under this sec-
4 tion and the payment of such claims. A claim may
5 be paid only upon a default under the loan insured
6 under this section and the assignment, transfer, and
7 delivery to the Secretary of all rights and interests
8 arising under the loan and all claims of the lender
9 or the assigns of the lender against the borrower or
10 others arising under the loan transaction.

11 (2) LIEN.—Upon payment of a claim for insur-
12 ance of a loan under this section, the Secretary shall
13 be granted a lien on the underlying renewable energy
14 system assets and any associated revenue stream
15 from use of that system, which shall be superior to
16 all other liens on such assets, and the residual value
17 of that system and the revenue stream shall be at
18 least equal to the unpaid balance of the loan amount
19 covered by the certificate of insurance. The Sec-
20 retary shall be entitled to any revenue generated by
21 the renewable energy system from selling electricity
22 to the grid when an insurance claim has been paid
23 out.

24 (j) ASSIGNMENT AND TRANSFERABILITY OF INSUR-
25 ANCE.—The holder of insurance provided under this sec-

1 tion may assign or transfer the insurance in whole or in
2 part, to another lender, subject to such requirements as
3 the Secretary may prescribe.

4 (k) PREMIUMS AND CHARGES.—

5 (1) INSURANCE FEE.—The Secretary shall fix
6 and collect premiums for insurance of loans under
7 this section, that shall be paid by the qualified appli-
8 cant at the time of issuance of the certificate of in-
9 surance to the lender and shall be adequate, in the
10 determination of the Secretary, to cover expenses
11 and probable losses, including any costs (as such
12 term is defined in section 502 of the Federal Credit
13 Reform Act of 1990 (2 U.S.C. 661a) of loan insur-
14 ance under this section. In no event may such pre-
15 mium exceed 3 percent of the principal obligation of
16 the loan being insured. The Secretary shall deposit
17 any premiums collected under this subsection in the
18 Renewable Energy Lease Insurance Fund estab-
19 lished under subsection (l).

20 (2) PROHIBITION ON OTHER CHARGES.—Except
21 as provided in paragraph (1), the Secretary may not
22 assess any fees, including user fees, insurance pre-
23 miums, or charges in connection with loan insurance
24 provided under this section.

1 (1) RENEWABLE ENERGY LEASE INSURANCE

2 FUND.—

3 (1) ESTABLISHMENT.—There is hereby estab-
4 lished the Renewable Energy Lease Insurance Fund,
5 which shall be available to the Secretary without fis-
6 cal year limitation, for the purpose of providing in-
7 surance under this section.

8 (2) CREDITS.—The Fund shall be credited with
9 any premiums collected under subsection (k)(1), any
10 amounts collected by the Secretary under subsection
11 (i)(2), and any associated interest or earnings.

12 (3) AVAILABILITY.—Amounts in the Fund shall
13 be available to the Secretary, in amounts provided in
14 advance in appropriation Acts, for fulfilling any obli-
15 gations with respect to insurance for loans provided
16 under this section and paying administrative ex-
17 penses in connection with this section. Any amounts
18 in the Fund determined by the Secretary to be in ex-
19 cess of amounts currently required at the time of the
20 determination to carry out this section may be in-
21 vested in obligations of the United States.

22 (m) FULL FAITH AND CREDIT.—The certificate of
23 insurance issued by the Secretary under this section shall
24 be backed by the full faith and credit of the United States
25 of America.

1 (n) REGULATIONS.—The Secretary shall issue such
2 regulations as may be necessary to carry out this section.
3 The Secretary shall issue final or interim final regulations
4 not later than the expiration of the 180-day period begin-
5 ning on the date of the enactment of this Act.

6 (o) INELIGIBILITY FOR PURCHASE BY FEDERAL FI-
7 NANCING BANK.—Notwithstanding the provisions of the
8 Federal Financing Bank Act of 1973 (12 U.S.C. 2281 et
9 seq.) or any other provision of law, no debt obligation that
10 is insured or committed to be insured by the Secretary
11 under this section shall be subject to the provisions of such
12 Act.

13 (p) DEFINITIONS.—For purposes of this section, the
14 following definitions apply:

15 (1) RENEWABLE ENERGY SYSTEM LEASE.—The
16 term “renewable system energy lease” means an
17 agreement between a qualified investor in a renew-
18 able energy system and a homeowner pursuant to
19 which the homeowner grants an easement to the in-
20 vestor to install, maintain, use, and otherwise access
21 the renewable energy system and leases the use of
22 that system from the qualified investor for a speci-
23 fied term.

24 (2) RENEWABLE ENERGY SYSTEM.—The term
25 “renewable energy system” means a system that

1 generates energy from naturally replenished energy
2 sources such as sunlight, wind, rain, tides or geo-
3 thermal heat.

4 (3) RENEWABLE ENERGY MANUFACTURER.—
5 The term “renewable energy manufacturer” means a
6 manufacturer of renewable energy systems.

7 **SEC. 308. GREEN GUARANTEES.**

8 (a) AUTHORITY TO GUARANTEE “GREEN PORTION”
9 OF ELIGIBLE MORTGAGES.—

10 (1) IN GENERAL.—The Secretary of Housing
11 and Urban Development may make commitments to
12 guarantee under this section and may guarantee, the
13 repayment of the portions of the principal obliga-
14 tions of eligible mortgages that are used to finance
15 eligible sustainable building elements for the housing
16 that is subject to the mortgage.

17 (2) AMOUNT OF GUARANTEE.—A guarantee
18 under this section by the Secretary in connection
19 with an eligible mortgage shall not exceed a percent-
20 age of the green portion (as such term is defined in
21 subsection (g)) of the mortgage, as shall be estab-
22 lished by the Secretary and may be established on
23 a regional basis as the Secretary determines appro-
24 priate.

1 (b) ELIGIBLE MORTGAGES.—To be considered an eli-
2 gible mortgage for purposes of this section, a mortgage
3 shall comply with all of the following requirements:

4 (1) ACQUISITION OR CONSTRUCTION OF HOUS-
5 ING.—The mortgage shall be made for the acquisi-
6 tion or construction of single- or multifamily housing
7 and repayment of the mortgage shall be secured by
8 an interest in such housing.

9 (2) FINANCING OF ELIGIBLE SUSTAINABLE
10 BUILDING ELEMENTS THROUGH GREEN PORTION OF
11 MORTGAGE.—A portion of the principal obligation of
12 the mortgage, which meets the requirements under
13 subsection (c), shall be used only for financing the
14 provision of eligible sustainable building elements for
15 the housing for which the mortgage was made.

16 (3) MAXIMUM MORTGAGE AMOUNT.—The prin-
17 cipal obligation of the mortgage (including the eligi-
18 ble portion of such mortgage, and such initial service
19 charges, appraisal, inspection, and other fees as the
20 Secretary shall approve) may not exceed the fol-
21 lowing amounts:

22 (A) SINGLE-FAMILY HOUSING.—Such dol-
23 lar amounts for single-family housing as the
24 Secretary shall establish, which may be estab-
25 lished on the basis of the number of dwelling

1 units in the housing, as the Secretary considers
2 appropriate.

3 (B) MULTIFAMILY HOUSING.—Such dollar
4 amounts for multifamily housing as the Sec-
5 retary shall establish, which may be established
6 on the basis of the number of dwelling units in
7 the housing and the number of bedrooms in
8 such dwelling units, as the Secretary considers
9 appropriate.

10 (4) REPAYMENT.—The mortgage meets such
11 requirements as the Secretary shall establish to en-
12 sure that there is a reasonable prospect of repay-
13 ment of the principal and interest on the obligation
14 by the mortgagor.

15 (5) MORTGAGE TERMS.—The mortgage shall
16 meet such requirements with respect to loan-to-value
17 ratio, mortgagor credit scores, debt-to-income ratio,
18 and other underwriting standards, term to maturity,
19 interest rates and amortization, including amortiza-
20 tion of the green portion of the mortgage, and other
21 mortgage terms as the Secretary shall establish.

22 (c) LIMITATIONS ON GREEN PORTION OF MORT-
23 GAGE.—The requirements under this subsection with re-
24 spect to the green portion of an eligible mortgage are as
25 follows:

1 (1) PERCENTAGE LIMITATION.—Such portion
2 shall not exceed, in the case of single-family or mul-
3 tifamily housing, 10 percent of the total principal
4 obligation of the mortgage.

5 (2) DOLLAR AMOUNT LIMITATION.—Such por-
6 tion shall not exceed—

7 (A) in the case of single-family housing,
8 such maximum dollar amount limitation as the
9 Secretary shall establish, which may be estab-
10 lished on the basis of the number of dwelling
11 units in the housing, as the Secretary considers
12 appropriate; and

13 (B) in the case of multifamily housing,
14 such maximum dollar amount limitation as the
15 Secretary shall establish, which limitation may
16 be established on the basis of the number of
17 dwelling units in the housing and the number
18 of bedrooms in such dwelling units, as the Sec-
19 retary considers appropriate.

20 (3) COST-EFFECTIVENESS LIMITATION.—Such
21 portion shall not exceed the total present value of
22 the savings (as determined in accordance with sub-
23 section (d)) attributable to the incorporation of the
24 eligible sustainable building elements to be financed

1 with the green portion of the mortgage that are to
2 be realized over the useful life of such elements.

3 (d) ELIGIBLE SUSTAINABLE BUILDING ELE-
4 MENTS.—The Secretary may not guarantee any eligible
5 mortgage under this section unless the mortgagor has
6 demonstrated, in accordance with such requirements as
7 the Secretary shall establish, the amount of savings attrib-
8 utable to incorporation of the sustainable building ele-
9 ments to be financed with the green portion of the mort-
10 gage, as measured by the National Green Building Stand-
11 ard for all residential construction developed by the Na-
12 tional Association of Home Builders and the U.S. Green
13 Building Council, and approved by the American National
14 Standards Institute, as updated and in effect at the time
15 of such demonstration.

16 (e) GUARANTEE FEE.—

17 (1) ASSESSMENT AND COLLECTION.—The Sec-
18 retary shall assess and collect fees for guarantees
19 under this section in amounts that the Secretary de-
20 termines are sufficient to cover the costs (as such
21 term is defined in section 502 of the Federal Credit
22 Reform Act of 1990 (2 U.S.C. 661a)) of such guar-
23 antees.

24 (2) AVAILABILITY.—Fees collected under this
25 subsection shall be deposited by the Secretary in the

1 Treasury of the United States and shall remain
2 available until expended, subject to such other condi-
3 tions as are contained in annual appropriations Acts.

4 (f) PAYMENT OF GUARANTEE.—

5 (1) DEFAULT.—

6 (A) RIGHT TO PAYMENT.—If a mortgagor
7 under a mortgage guaranteed under this section
8 defaults (as defined in regulations issued by the
9 Secretary and specified in the guarantee con-
10 tract) on the obligation under the mortgage—

11 (i) the holder of the guarantee shall
12 have the right to demand payment of the
13 unpaid amount of the guaranteed portion
14 of the mortgage, to the extent provided
15 under subsection (a)(2), from the Sec-
16 retary; and

17 (ii) within such period as may be
18 specified in the guarantee or related agree-
19 ments, the Secretary shall pay to the hold-
20 er of the guarantee, to the extent provided
21 under subsection (a)(2), the unpaid inter-
22 est on, and unpaid principal of the portion
23 of guaranteed portion of the mortgage with
24 respect to which the borrower has de-
25 faulted, unless the Secretary finds that

1 there was no default by the borrower in
2 the payment of interest or principal or that
3 the default has been remedied.

4 (B) FORBEARANCE.—Nothing in this para-
5 graph precludes any forbearance by the holder
6 of an eligible mortgage for the benefit of the
7 mortgagor which may be agreed upon by the
8 parties to the mortgage and approved by the
9 Secretary.

10 (2) SUBROGATION.—

11 (A) IN GENERAL.—If the Secretary makes
12 a payment under paragraph (1), the Secretary
13 shall be subrogated to the rights of the recipi-
14 ent of the payment as specified in the guar-
15 antee or related agreements including, if appro-
16 priate, the authority (notwithstanding any other
17 provision of law)—

18 (i) to complete, maintain, operate,
19 lease, or otherwise dispose of any property
20 acquired pursuant to such guarantee or re-
21 lated agreements; or

22 (ii) to permit the mortgagor, pursuant
23 to an agreement with the Secretary, to
24 continue to occupy the property subject to

1 the mortgage, if the Secretary determines
2 such occupancy to be appropriate.

3 (B) SUPERIORITY OF RIGHTS.—The rights
4 of the Secretary, with respect to any property
5 acquired pursuant to a guarantee or related
6 agreements, shall be superior to the rights of
7 any other person with respect to the property.

8 (C) TERMS AND CONDITIONS.—A guar-
9 antee agreement shall include such detailed
10 terms and conditions as the Secretary deter-
11 mines appropriate to protect the interests of the
12 United States in the case of default.

13 (3) FULL FAITH AND CREDIT.—The full faith
14 and credit of the United States is pledged to the
15 payment of all guarantees issued under this section
16 with respect to principal and interest.

17 (g) DEFINITIONS.—For purposes of this section, the
18 following definitions shall apply:

19 (1) ELIGIBLE MORTGAGE.—The term “eligible
20 mortgage” means a mortgage that meets the re-
21 quirements under subsection (b).

22 (2) GREEN PORTION.—The term “green por-
23 tion” means, with respect to an eligible mortgage,
24 the portion of the mortgage principal referred to in
25 subsection (b)(2) that is attributable, as determined

1 in accordance with regulations issued by the Sec-
2 retary, to the increased costs incurred in financing
3 provision of sustainable building elements for the
4 housing for which the mortgage was made, as com-
5 pared to the costs that would have been incurred in
6 financing the provision of other building elements
7 for the housing for the same purposes that are com-
8 monly or conventionally used but are not sustainable
9 building elements.

10 (3) GUARANTEED PORTION.—The term “guar-
11 anteed portion” means, with respect to an eligible
12 mortgage guaranteed under this section, the green
13 portion of the mortgage that is so guaranteed.

14 (4) MORTGAGE.—The term “mortgage” has the
15 meaning given such term in section 201 of the Na-
16 tional Housing Act (12 U.S.C. 1707).

17 (5) MULTIFAMILY HOUSING.—The term “multi-
18 family housing” means a residential property con-
19 sisting of five or more dwelling units.

20 (6) SECRETARY.—The term “Secretary” means
21 the Secretary of Housing and Urban Development.

22 (7) SINGLE-FAMILY HOUSING.—The term “sin-
23 gle-family housing” means a residential property
24 consisting of one to four dwelling units.

1 (8) SUSTAINABLE BUILDING ELEMENT.—The
2 term “sustainable building element” means such
3 building elements, as the Secretary shall define, that
4 have energy efficiency or environmental sustain-
5 ability qualities that are superior to such qualities
6 for other building elements for the same purposes
7 that are commonly or conventionally used.

8 (h) AUTHORIZATION OF APPROPRIATIONS.—There is
9 authorized to be appropriated for costs (as such term is
10 defined in section 502 of the Federal Credit Reform Act
11 of 1990 (2 U.S.C. 661a) of guarantees under this section
12 \$500,000,000 for each of fiscal years 2010 through 2014.

13 (i) REGULATIONS.—The Secretary shall issue any
14 regulations necessary to carry out this section.

