(e) Section 105(a)(11) of such Act is amended to read as follows:

"(11) relocation payments and assistance for displaced individuals, families, businesses, organizations, and farm operations, when determined by the grantee to be appropriate to the community development program;"

(f) The last sentence of section 107(a)(8) of such Act is amended to read as follows: "The Secretary may also provide, directly or through contracts, technical assistance under this paragraph to such governmental units, or to a group designated by such a governmental unit for the purpose of assisting that governmental unit to carry out its Community Development Program."

(g) Section 119(c) of such Act is amended—

(1) by striking out "and" at the end of clause (4);

(2) by striking out the period at the end of clause (5) and inserting in lieu thereof "and"; and

(3) by adding at the end thereof the following:

"(6) include a statement analyzing the impact of the proposed urban development action program on the residents, particularly those of low and moderate income, of the residential neighborhood, and on the neighborhood, in which the program is to be located."

(h) Section 119(c) of such Act is amended by inserting before "and feasibility" the following: "impact of the proposed urban development action program on the residents, particularly those of low and moderate income, of the residential neighborhood, and on the neighborhood, in which the program is to be located."

Title I of such Act is amended by adding at the end thereof the following new section:

"FAIR PARTICIPATION FOR SMALL COMMUNITIES"

Sec. 120. No community shall be barred from participating in any program authorized under this title solely on the basis of population, except as expressly authorized by statute.

EFFECTIVE DATE

Sec. 104. The amendments made by this title shall become effective October 1, 1978.

TITLE II—HOUSING ASSISTANCE PROGRAMS

OPERATING ASSISTANCE FOR TROUBLED MULTIFAMILY HOUSING PROJECTS

Sec. 201. (a) The purposes of this section are to provide assistance to restore or maintain the financial soundness, to assist in the improvement of the management, and to maintain the low- to moderate-income character of certain projects assisted or approved for assistance under the National Housing Act or under the Housing and Urban Development Act of 1965.

(b) The Secretary of Housing and Urban Development (hereinafter referred to in this section as the "Secretary") may make available, and contract to make available, to such extent and in such amounts as may be approved in appropriation Acts, financial assistance to owners of rental or cooperative housing projects meeting the requirements of this section. Such assistance shall be made on an annual basis and in accordance with the provisions of this section.

(c) A rental or cooperative housing project is eligible for assistance under this section only if such project—
(1) (A) is assisted under section 236 or the proviso of section 221(d)(5) of the National Housing Act, or under section 101 of the Housing and Urban Development Act of 1965; except that, in the case of any such project which is not insured under the National Housing Act such assistance may not be provided before October 1, 1979; or
(B) met the criteria specified in subparagraph (A) of this paragraph before the acquisition of such project by the Secretary and has been sold by the Secretary, subject to a mortgage insured or held by the Secretary and subject to an agreement (in effect during the period of assistance under this section) which provides that the low- and moderate-income character of the project will be maintained; except that, with respect to projects sold after October 1, 1978, assistance shall be available for a period not to exceed three years; and
(2) meets such other requirements consistent with the purposes of this section as the Secretary may prescribe.
(d) No assistance may be made available under this section unless the Secretary has determined that—
(1) such assistance, when considered with other resources available to the project, is necessary and, in the determination of the Secretary, will restore or maintain the financial soundness of the project and maintain the low- and moderate-income character of the project;
(2) the assistance which could reasonably be expected to be provided over the useful life of the project will be less costly to the Federal Government than other reasonable alternatives by which the Secretary could maintain the low- and moderate-income character of the project;
(3) the owner of the project, together with the mortgagee in the case of a project not insured under the National Housing Act, has provided or has agreed to provide assistance to the project in such manner as the Secretary may determine;
(4) the project is or can reasonably be made structurally sound, as determined on the basis of information obtained as a result of an on-site inspection of the project;
(5) the management of the project is being conducted by persons who meet minimum levels of competency and experience prescribed by the Secretary; and
(6) the project is being operated and managed in accordance with a management-improvement-and-operating plan which is designed to reduce the operating costs of the project, which has been approved by the Secretary, and which includes the following: (A) a detailed maintenance schedule; (B) a schedule for correcting past deficiencies in maintenance, repairs, and replacements; (C) a plan to upgrade the project to meet cost-effective energy efficiency standards prescribed by the Secretary; (D) a plan to improve financial and management control systems; (E) a detailed annual operating budget taking into account such standards for operating costs in the area as may be determined by the Secretary; and (F) such other requirements as the Secretary may determine.
(e) Prior to making assistance available to a project, the Secretary shall consult with the appropriate officials of the unit of local government in which such project is located and seek assurances that—
(1) the community in which the project is located is or will provide essential services to the project in keeping with the community's general level of such services;
(2) the real estate taxes on the project are or will be no greater than would be the case if the property were assessed in a manner consistent with normal property assessment procedures for the community; and

(b) assistance to the project under this section would not be inconsistent with local plans and priorities.

(1) The Secretary may, with respect to any year, provide assistance under this section, and make commitments to provide such assistance, with respect to any project in any amount which the Secretary determines is consistent with the project's management-improvement and operating plan described in subsection (d)(6) and which does not exceed the sum of—

(A) an amount determined by the Secretary to be necessary to correct deficiencies in the project which exist at the beginning of the year with respect to which assistance is made available for the project under this section, which were caused by the deferral of regularly scheduled maintenance and repairs or by the failure to make necessary and timely replacements of equipment and other components of the project, and for which payment has not previously been made;

(B) an amount determined by the Secretary to be necessary to maintain the low- and moderate-income character of the project by reducing deficiencies, which exist at the beginning of the year with respect to which assistance is made available for the project under this section and for which payment has not previously been made, in the reserve funds established by the project owner for the purpose of replacing capital assets; and

(C) an amount not greater than the amount by which the estimated operating expenses (as described in paragraph (2) of this subsection) for the year with respect to which such assistance is made available exceeds the estimated revenues to be received (as described in paragraph (2) of this subsection) by the project during such year.

(2) The estimated revenues for any project under paragraph (1) of this subsection with respect to any year shall be equal to the sum of—

(A) the estimated amount of rent which is to be expended by the tenants of such project during such year, as determined by the Secretary without regard to section 236(f)(1) of the National Housing Act;

(B) the estimated amount of rental assistance payments to be made on behalf of such tenants during such year, other than assistance made under this section;

(C) the estimated amount of assistance payments to be made on behalf of the owner of such project under section 221(d)(5) or section 236 of the National Housing Act during such year; and

(D) other income attributable to the project as determined by the Secretary;

except that—

(E) in computing the estimated amount of rent to be expended by tenants, the Secretary shall provide that (i) at least 25 percent (or such lesser percentage as is provided under any other Federal housing assistance program in which such tenant is participating) of the income of each such tenant is included, or (ii) in the case of a tenant paying his or her own utilities, a percentage of income which is less than 25 percent and which takes into account the reasonable costs of such utilities; except that no amount shall be provided for any tenant under clause (i) or (ii) which exceeds the amount credited to such tenant; and

(F) in computing the estimated operating expenses, the expenses to be incurred and paid by tenants of the rental unit will not be paid to or within 30 days of the delinquency of the estimated operating expenses of the landlord without regard to the amounts of the first three months' operating expenses of the project to be paid by the Secretary as determined by the Secretary.

For purposes of this section, a project is deemed to cover such project when the Secretary determines the amounts of each of the estimated operating expenses and the estimated amount of capital expenditure necessary and consistent with the plan for the project. Such amounts may be based upon experience with similar projects, and may be paid to or within 30 days of the delinquency of the estimated operating expenses of the landlord, and are subject to adjustment as necessary. The Secretary may pay capital expenditures and other amounts of assistance to any project.

(3) In order to make the payment authorized under this section, the Secretary may, notwithstanding any other provision of law, enter into agreements with the National Housing Act to provide for the rental of any portion of the project to tenants on terms consistent with the purposes of the National Housing Act.

(4) Any assistance, or part thereof, is available to any project in any amount which the Secretary determines is necessary and consistent with the purposes of the National Housing Act.

(g) The Secretary shall review the amounts to be paid to each tenant under section 221(d)(5) or section 236 of the National Housing Act during each year, and shall adjust the amounts which shall be paid to tenants as the Secretary determines are necessary and consistent with the purposes of this section.

(h) There is appropriated to any Federal program established under this section $74,000,000 for fiscal year 1978:

(1) Effective October 1, 1977, the National Housing Act is amended—

(A) by striking out 'section 221(d)(5) or section 236 of the National Housing Act' and inserting in lieu thereof 'section 221(d)(5) or section 236(f)(1) of the National Housing Act'.
which exceeds the fair market rental charge as determined pursuant to section 236(f) (1) of the National Housing Act for such tenant; and

(F) in computing the estimated amount of rent to be expended by tenants and the estimated amount of rental assistance payments to be made on behalf of such tenants, the Secretary may permit a delinquency-and-vacancy allowance of not more than 6 percent of the estimated amount of such rent and payments computed without regard to such allowance; except that, with respect to the first three years in which assistance is provided to a project under this section, the Secretary may permit such allowance for such project to exceed such 6 percent by an amount which the Secretary determines is appropriate to carry out the purposes of this section.

For purposes of computing estimated operating expenses of any such project with respect to any year, the Secretary shall include all estimated operating costs which the Secretary determines to be necessary and consistent with the management-improvement-and-operating plan for the project for such year, including, but not limited to, taxes, utilities, maintenance and repairs (except for maintenance and repairs which should have been performed in previous years), management, insurance, debt service, and payments made by the owner for the purpose of establishing or maintaining a reserve fund for replacement costs. The Secretary may not include in such estimated operating expenses any return on the equity investment of the owner in such project.

(3) In order to carry out the purposes of this section, the Secretary may, notwithstanding the provisions of section 236(f) (1) of the National Housing Act, provide that, for purposes of establishing a rental charge under such section, there may be excluded from the computation of the cost of operating a project an amount equivalent to the amount of assistance payments made for the project under this section.

(4) Any assistance payments made pursuant to this section with respect to any project shall be made on an annual basis, payable at such intervals, but at least quarterly, as the Secretary may determine, and may be in any amount (which the Secretary determines to be consistent with the purpose of this section), except that the sum of such assistance payments for any year may not exceed the amount computed pursuant to paragraph (1) of this subsection. The Secretary shall review the operations of the project at the time of such payments to determine that such operations are consistent with the management-improvement-and-operating plan.

(g) The Secretary is authorized to issue such rules and regulations as may be necessary to carry out the provisions and purposes of this section, including regulations requiring the establishment of a project reserve or such other safeguards as the Secretary determines to be necessary for the financial soundness of any project for which assistance payments are provided.

(h) There is authorized to be appropriated, for the purpose of providing financial assistance under this section, an amount (in addition to any amount appropriated for use under this section pursuant to section 236(f) (3)(B) of the National Housing Act, not to exceed $74,000,000 for the fiscal year 1979. Any amounts appropriated under this section shall remain available until expended.

(i) Effective October 1, 1978, section 236 of the National Housing Act is amended—

(1) in subsection (f) (3)—

(A) by inserting "(A)" after "(3)";
(B) by striking out “The” in the second sentence and inserting in lieu thereof “For each fiscal year prior to the fiscal year 1970, the”; and
(C) by adding at the end thereof the following:
“(B) The Secretary shall utilize amounts credited to the fund described in subsection (g) on or after October 1, 1978, for the sole purpose of carrying out the purposes of section 201 of the Housing and Community Development Amendments of 1978. No payments may be made from such fund unless approved in an appropriation Act. No amount may be so approved for any fiscal year beginning after September 30, 1976.”; and
(2) by striking out the third and fourth sentences of subsection (g).

TENANT PARTICIPATION IN MULTIFAMILY HOUSING PROJECTS

SEC. 202. (a) The purpose of this section is to recognize the importance and benefits of cooperation and participation of tenants in creating a suitable living environment in multifamily housing projects and in contributing to the successful operation of such projects, including their good physical condition, proper maintenance, security, energy efficiency, and control of operating costs. For the purpose of this section, the term “multifamily housing project” means a project which is eligible for assistance as described in section 201(c) of this Act.

(b) The Secretary shall assure that—
(1) where the Secretary’s written approval is required with respect to an owner’s action and the Secretary deems it appropriate, tenants have adequate notice of, reasonable access to relevant information about, and an opportunity to comment on such actions (and in the case of a project owned by the Secretary, any proposed disposition of the project) and that such comments are taken into consideration by the Secretary;
(2) project owners not interfere with the efforts of tenants to obtain rent subsidies or other public assistance;
(3) leases approved by the Secretary provide that tenants may not be evicted without good cause or without adequate notice of the reasons therefor and do not contain unreasonable terms and conditions; and
(4) project owners do not impede the reasonable efforts of resident tenant organizations to represent their members or the reasonable efforts of tenants to organize.

(c) The Secretary shall promulgate regulations to carry out the provisions of this section not later than 90 days after the date of enactment of this Act.

MANAGEMENT AND PRESERVATION OF HUD-OWNED MULTIFAMILY HOUSING PROJECTS

SEC. 203. (a) It is the policy of the United States that the Secretary of Housing and Urban Development (hereinafter referred to as the “Secretary”) shall manage and dispose of multifamily housing projects which are owned by the Secretary in a manner consistent with the National Housing Act and this section. The purpose of the property management and disposition program of the Department of Housing and Urban Development shall be to manage and dispose of projects in a manner which will protect the financial interests of the Federal Government and be less costly to the Federal Government than other reasonable alternatives.

(1) prevents
(2) present
(3) main
(4) minimum
(5) minimum

The Secretary, in managed or disposed individual projects, has the overall purpose:
(b) The Secretary
(1) to discontinue
(2) on terms as the
(3) and the
(4) by the Secretary
(5) of the
(6) the tenants
(7) conditions; (D) provide
(8) and
(9) the

(c) Except when in a basis that it was
(1) which an
(2) to subsection (a)
(3) maintain
(4) by the Secretary
(5) to the
(6) multifamily

(d) (1) Whenever a disposition of, or repurchase by the Secretary, the Secretary shall notify all
(2) any relocation assistance
(3) The Secretary
(4) for any such
(5) to return
(6) to occupy
(7) by the Secretary
(8) to obtain

Housing Act or
than other reasonable alternatives by which the Secretary can further the goals of—

(1) preserving the housing units so that they can remain available to and affordable by low- and moderate-income families;
(2) preserving and revitalizing residential neighborhoods;
(3) maintaining the existing housing stock in a decent, safe, and sanitary condition;
(4) minimizing the involuntary displacement of tenants; and
(5) minimizing the need to demolish projects.

The Secretary, in determining the manner by which a project shall be managed or disposed of, may balance competing goals relating to individual projects in a manner which will further the achievement of the overall purpose of this section.

(b) The Secretary is authorized, in carrying out this section—

(1) to dispose of a multifamily housing project owned by the Secretary on a negotiated, competitive bid, or other basis, on such terms as the Secretary deems appropriate considering the low- and moderate-income character of the project and the requirements of subsection (a) of this section, to a purchaser determined by the Secretary to be capable of (A) satisfying the conditions of the disposition; (B) implementing a sound financial and physical management program; (C) responding to the needs of the tenants and working cooperatively with resident organizations; (D) providing adequate organizational, staff and financial resources to the project; and (E) meeting such other requirements as the Secretary may determine; and

(2) to contract for management services for a multifamily housing project, owned by the Secretary, on a negotiated, competitive bid, or other basis at a price determined by the Secretary to be reasonable, with a manager the Secretary has determined is capable of (A) implementing a sound financial and physical management program, (B) responding to the needs of the tenants and working cooperatively with resident organizations, (C) providing adequate organizational, staff, and other resources to implement a management program determined by the Secretary, and (D) meeting such other requirements as the Secretary may determine.

(c) Except where the Secretary has determined on a case-by-case basis that it would be clearly inappropriate, given the manner by which an individual project is to be managed or disposed of pursuant to subsection (a) of this section, the Secretary shall seek to—

(1) maintain all occupied multifamily housing projects owned by the Secretary in a decent, safe, and sanitary condition; and

(2) to the greatest extent possible, maintain full occupancy in all multifamily housing projects owned by the Secretary.

(d) (1) Whenever tenants will be displaced as a result of the disposition of, or repair to, a multifamily housing project owned by the Secretary, the Secretary shall identify tenants who will be displaced, and shall notify all such tenants of their pending displacement and of any relocation assistance which may be available.

(2) The Secretary shall seek to assure the maximum opportunity for any such tenant—

(A) to return, whenever possible, to a repaired unit;
(B) to occupy a unit in another multifamily housing project owned by the Secretary;
(C) to obtain housing assistance under the United States Housing Act of 1937; or
(D) to receive any other available relocation assistance as the Secretary determines to be appropriate.

(e) Notwithstanding any other provision of law, whenever the Secretary is requested to accept assignment of a mortgage insured by the Secretary which covers a multifamily housing project, and the Secretary determines that partial payment would be less costly to the Federal Government than other reasonable alternatives for maintaining the low- and moderate-income character of the project, the Secretary may request the mortgagor in lieu of assignment, to accept partial payment of the claim under the mortgage insurance contract and to reassess the mortgage, under such terms and conditions as the Secretary may determine. As a condition to a partial claim payment under this section, the mortgagor shall agree to repay to the Secretary the amount of such payment and such obligation shall be secured by a second mortgage on the property on such terms and conditions as the Secretary may determine.

"Multifamily housing project."  
12 USC 1715z-1.  
12 USC 1715s.  
12 USC 1701.  
Rules and regulations.

(g) The Secretary shall issue such rules and regulations as may be necessary to carry out the provisions of this section within 90 days after the date of enactment of this Act.

HOUSING ACCESS

12 USC 1701z-12.

Sec. 204. The Secretary shall require any purchaser of a multifamily housing project owned by the Secretary which is sold on or after October 1, 1978, to agree not to refuse unreasonably to lease a vacant dwelling unit in the project which rents for an amount not greater than the fair market rent for a comparable unit in the area as determined by the Secretary under section 8 of the United States Housing Act of 1937 to a holder of a certificate of eligibility under that section solely because of such prospective tenant's status as a certificate holder.

HOUSING FOR THE HANDICAPPED

12 USC 1701q.

Sec. 205. (a) Section 202 of the Housing Act of 1969 is amended by adding at the end thereof the following new subsection:

"(h) Of the amounts made available in appropriation Acts for loans pursuant to subsection (a) (4) (C) for the fiscal year commencing on October 1, 1978, not less than $50,000,000 shall be available for loans for the development of rental housing and related facilities specifically designed to meet the needs of handicapped (primarily nonelderly) persons. The Secretary shall take such steps as may be necessary to assure that—

"(1) funds made available pursuant to this subsection will be used to support innovative methods of meeting the needs of handicapped persons by providing a variety of housing options, ranging from small group homes to independent living complexes; and

"(2) housing and related facilities assisted under subsection (f) will provide handicapped persons occupying units within such housing with an assured range of services specified under subsection (f) and the opportunity for optimal independent living and participation in normal daily activities, and will facilitate access by such persons to the community at large and to suitable employment opportunities within such community."

(b) The second sentence of this section is amended—

(1) by striking "this sentence"; and

(2) by strike-
(b) The second sentence of section 202(a)(4)(C) of such Act is amended—
12 USC 1701q.

(1) by striking out "in any fiscal year" immediately after "under this section"; and
(2) by striking out "for such year" immediately after "authority established".

(c) Section 202(d)(3) of such Act is amended by inserting "the cost of movables necessary to the basic operation of the project as determined by the Secretary," immediately after "related facilities."

(d) Section 202(d)(2) of such Act is amended to read as follows:
"(2) The term 'corporation' means any incorporated private institution or foundation—"

"(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;"

"(B) which has a governing board (i) the membership of which is selected in a manner to assure that there is significant representation of the views of the community in which such project is located, and (ii) which is responsible for the operation of the housing project assisted under this section; and"

"(C) which is approved by the Secretary as to financial responsibility.""

LOW-INCOME HOUSING

Sec. 206. (a) Section 5(c) of the United States Housing Act of 1937 is amended—
42 USC 1437c.

(1) by striking out "and" immediately after "October 1, 1976," in the first sentence;
(2) by inserting immediately after "on October 1, 1977," in the first sentence the following: "and by $1,195,043,000 on October 1, 1978;"
(3) by striking out the second and fourth sentences; and
(4) by inserting "and on and after October 1, 1978," immediately after "October 1, 1976," in the third sentence.

(b) Section 5(c) of such Act is amended by inserting after the fourth sentence the following: "of the additional authority to enter into contracts for annual contributions provided on October 1, 1978, and approved in appropriation Acts, the Secretary shall make available not less than $50,000,000 for modernization of low-income housing projects."

(c) Section 3(2)(D) of such Act is amended by striking out "10" in the first proviso and inserting in lieu thereof "15".

(d) (1) Section 8 of such Act is amended by adding at the end thereof the following new subsection:
42 USC 1437a.

"(i) In entering into contracts under this section with respect to substantially rehabilitated dwelling units, the Secretary shall provide that—"

"(1) the maximum monthly rent permitted for the assisted units be not greater than the amount permitted under subsection (c) or a lesser amount which the Secretary determines is appropriate taking into consideration the investment of the owner in the assisted units and such other factors as the Secretary determines to be relevant;

"(2) the assisted units be rehabilitated to a level which meets but does not exceed applicable codes and standards for decent, safe, and sanitary housing which are prescribed by the Secretary;

"(3) all the dwelling units in the housing structure in which the assisted units are located meet applicable codes and standards prescribed by the Secretary for decent, safe, and sanitary housing;

"(4) the term of any such contract does not exceed the maxi-"
A maximum term permitted under subsection (e)(1) or a shorter term which the Secretary determines is appropriate taking into consideration the amount of investment of the owner in the assisted units and such other factors as the Secretary determines to be relevant; and

"(5) the assisted units meet cost-effective energy efficiency standards prescribed by the Secretary."

(2) The amendment made by this subsection shall become effective with respect to contracts entered into on or after 270 days following the date of enactment of this Act.

(e) Section 8(e) of such Act is amended by adding at the end thereof the following:

"(5) For the purpose of upgrading and thereby preserving the Nation’s housing stock, the Secretary is authorized to make assistance payments under this section directly or through public housing agencies pursuant to contracts with owners or prospective owners who agree to upgrade housing so as to make and keep such housing decent, safe, and sanitary through upgrading which involves less than substantial rehabilitation, as such upgrading and rehabilitation are defined by the Secretary. The Secretary is authorized to prescribe such terms and conditions for contracts entered into under this section pursuant to this paragraph as the Secretary determines to be necessary and appropriate, except that such terms and conditions, to the maximum extent feasible, shall be consistent with terms and conditions otherwise applicable with respect to other dwelling units assisted under this section. The Secretary is also authorized to make assistance available under this section pursuant to this paragraph to any unit in a housing project which, on an overall basis, reflects the need for such upgrading."

(f) Section 8 of such Act is amended by adding at the end thereof the following new subsection:

"(j)(1) The Secretary may enter into annual contributions contracts under this subsection for the purpose of assisting lower income families by making rental assistance payments with respect to real property on which is located a mobile home which is owned by any such family and utilized by such family as its principal place of residence. In carrying out this subsection, the Secretary may (A) enter into annual contributions contracts with public housing agencies pursuant to which such agencies may enter into contracts to make such assistance payments to the owners of such real property, or (B) enter into such contracts directly with the owners of such real property.

"(2) Contracts entered into pursuant to this subsection shall establish the maximum monthly rent (including maintenance and management charges) which the owner is entitled to receive for each space on which a mobile home is located and with respect to which assistance payments are to be made. The maximum monthly rent shall not exceed by more than 10 per centum the fair market rental periodically established by the Secretary (but not less than annually) with respect to the market area for the rental of real property suitable for occupancy by families assisted under this subsection. The provisions of subsection (e)(2) of this section shall apply to the adjustments of maximum monthly rents under this subsection.

"(3) The amount of any monthly assistance payment with respect to any family assisted under this subsection shall be the difference between 25 per centum of one-twelfth of the annual income of such family and the sum of—

"(A) the cost to reason—"

"(B) the cost to reason—"

"(C) the cost to reason—"

"(D) the cost to reason—"

"(E) the cost to reason—"

"(F) the cost to reason—"

"(G) the cost to reason—"

"(H) the cost to reason—"

"(I) the cost to reason—"

"(J) the cost to reason—"

"(K) the cost to reason—"

"(L) the cost to reason—"

"(M) the cost to reason—"

"(N) the cost to reason—"

"(O) the cost to reason—"

"(P) the cost to reason—"

"(Q) the cost to reason—"

"(R) the cost to reason—"

"(S) the cost to reason—"

"(T) the cost to reason—"

"(U) the cost to reason—"

"(V) the cost to reason—"

"(W) the cost to reason—"

"(X) the cost to reason—"

"(Y) the cost to reason—"

"(Z) the cost to reason—"
"(A) the monthly payment made by such family to amortize the cost of purchasing the mobile home; "
"(B) monthly utility payments made by such family, subject to reasonable limitations prescribed by the Secretary; and "
"(C) the maximum monthly rent permitted with respect to the real property which is rented by such family for the purpose of locating its mobile home; except that in no case may such assistance exceed the total amount of such maximum monthly rent.

"(4) Each contract entered into under this subsection shall be for a term of not less than one month and not more than 180 months.

"(5) The Secretary may prescribe other terms and conditions which are necessary for the purpose of carrying out the provisions of this subsection and which are consistent with the purposes of this subsection."

(g) Section 9(c) of such Act is amended—

(1) by striking out "and" immediately following "on or after October 1, 1976."; and

(2) by inserting immediately before the period at the end thereof the following: "and not to exceed $729,000,000 on or after October 1, 1978."

(h) The amendments made by this section, except the amendment made by subsection (d), shall become effective on October 1, 1978.

PUBLIC HOUSING SECURITY

Sec. 207. (a) This section may be cited as the "Public Housing Security Demonstration Act of 1978".

(b) (1) The Congress finds that—

(A) low-income and elderly public housing residents of the Nation have suffered substantially from rising crime and violence, and are being threatened as a result of inadequate security arrangements for the prevention of physical violence, theft, burglary, and other crimes;

(B) older persons generally regard the fear of crime as the most serious problem in their lives, to the extent that one-fourth of all Americans over 65 voluntarily restrict their mobility because of it;

(C) crime and the fear of crime have led some residents to move from public housing projects;

(D) an integral part of successfully providing decent, safe, and sanitary dwellings for low-income persons is to insure that the housing is secure;

(E) local public housing authorities may have inadequate security arrangements for the prevention of crime and vandalism; and

(F) action is needed to provide for the security of public housing residents and to preserve the Nation's investment in its public housing stock.

(2) It is, therefore, declared to be the policy of the United States to provide for a demonstration and evaluation of effective means of mitigating crime and vandalism in public housing projects, in order to provide a safe living environment for the residents, particularly the elderly residents, of such projects.

(c) (1) The Secretary of Housing and Urban Development shall promptly initiate and carry out during the fiscal year beginning on October 1, 1978, to the extent approved in appropriation Acts, a pro-
program for the development, demonstration, and evaluation of improved, innovative community anticrime and security methods, concepts and techniques which will mitigate the level of crime in public housing projects and their surrounding neighborhoods.

(2) In selecting public housing projects to receive assistance under this section, the Secretary shall assure that a broad spectrum of project types, locations and tenant populations are represented and shall consider at least the following: the extent of crime and vandalism currently existing in the projects; the extent, nature and quality of community anticrime efforts in the projects and surrounding areas; the extent, nature and quality of police and other protective services available to the projects and their tenants; the demand for public housing units in the locality, the vacancy rate, and extent of abandonment of such units; and the characteristics and needs of the public housing tenants.

(3) In selecting the anticrime and security methods, concepts and techniques to be demonstrated under this section, the Secretary shall consider the improvement of physical security equipment or dwelling units in those projects, social and environmental design improvements, tenant awareness and volunteer programs, tenant participation and employment in providing security services, and such other measures as deemed necessary or appropriate by the Secretary. Particular attention shall be given to comprehensive community anticrime and security plans submitted by public housing authorities which (i) provide for coordination between public housing management and local law enforcement officials, or (ii) coordinate resources available to the community through programs funded by the Law Enforcement Assistance Administration, the Department of Health, Education, and Welfare, the Department of Labor, the Community Services Administration, and ACTION, or other Federal or State agencies.

(4) In carrying out the provisions of this section, the Secretary shall coordinate and jointly target resources with other agencies, particularly the Law Enforcement Assistance Administration, the Department of Health, Education, and Welfare, the Department of Labor, the Community Services Administration, and ACTION.

(d) The Secretary shall initiate and carry out a survey of crime and vandalism existing in the Nation's public housing projects. The survey shall include the nature, extent and impact of crime and vandalism and the nature and extent of resources currently available and employed to alleviate crime and vandalism in public housing.

(e) The Secretary shall report to Congress not later than eighteen months after the date of enactment of this Act. Such report shall include the results of the survey on crime and vandalism in public housing; findings from the demonstration and evaluation of various methods of reducing the level of crime; and legislative recommendations, if appropriate for (A) a comprehensive program to increase security in public housing projects and (B) increasing the coordination between anticrime programs of other State and Federal agencies that may be used by public housing authorities. Any recommendations shall include estimated costs of such programs.

(f) Of the additional authority approved in appropriation Acts with respect to entering into annual contributions contracts under section 5(c) of the United States Housing Act of 1937 for the fiscal year beginning on October 1, 1978, the Secretary may utilize up to $12,000,000 of such authority in the fiscal year beginning on October 1, 1978, for the establishment of the public housing security demonstration program authorized by this section.

Sec. 208. (a) The Secretary shall conduct such surveys of the energy for residential purposes within the meaning of section 312 of the National Energy Act of 1978 as shall permit the development of practical, effective and economical means of utilizing energy for such purposes.

(b) The Secretary shall prescribe regulations for conforming the procedures for the surveys described in subsection (a) to the requirements of the National Energy Act of 1978.

Sec. 209. (a) The application of the definitions contained in the National Energy Act of 1978 to the energy, and the application of the provisions of this title with respect to energy, shall have the same meaning as the application of such definitions to the energy, and such provisions which is in conformity with the definitions and provisions of the National Energy Act of 1978.

(b) The definitions contained in section 302 of the National Energy Act of 1978 shall have the same meaning as the definitions contained in that section except as provided in this Act.

(c) The definitions contained in section 304 of the National Energy Act of 1978 shall have the same meaning as the definitions contained in that section except as provided in this Act.

(d) In carrying out this title, the Secretary may adopt and implement the regulations prescribed under subsection (a) and sections 302 and 304 of such Act.

(e) The Secretary shall report to Congress at least annually on the implementation of this title and the extent to which the provisions of this title have been carried out.

(f) The Secretary shall transmit to the Congress a report on the energy conservation and related measures included in the National Energy Act of 1978.

(g) The Secretary shall, in the performance of his functions under this title, include such other matters as he deems appropriate.

(h) The Secretary shall report to Congress at least annually on the implementation of this title and the extent to which the provisions of this title have been carried out.

(i) The Secretary shall transmit to the Congress a report on the energy conservation and related measures included in the National Energy Act of 1978.

(j) The Secretary shall, in the performance of his functions under this title, include such other matters as he deems appropriate.

Sec. 301. (a) The following provisions of this title shall be amended by striking out "and" and inserting "or" in lieu thereof: (1) "and" and (2) "or".
SEC. 208. (a) The Secretary of Housing and Urban Development shall conduct a study for the purpose of examining alternative means of encouraging the development of housing to be assisted under section 8 of the United States Housing Act of 1937 for occupancy by large families which reside in areas with a low-vacancy rate in rental housing.
(b) The Secretary shall report to the Congress no later than one year after the date of enactment of this Act, for the purpose of providing legislative recommendations with respect to the study described in subsection (a).

SOLAR ENERGY SYSTEMS

SEC. 209. (a) It is the purpose of this section to promote and extend the application of viable solar energy systems as a desirable source of energy for residential single-family and multifamily housing units.
(b) (1) The Secretary, in carrying out programs and activities under section 312 of the Housing Act of 1964, section 302 of the Housing Act of 1959, and section 8 of the United States Housing Act of 1937, shall permit the installation of solar energy systems which are cost-effective and economically feasible.
(2) For the purpose of this Act, the term “solar energy system” means any addition, alteration, or improvement to an existing or new structure which is designed to utilize wind energy or solar energy either of the active type based on mechanically forced energy transfer or of the passive type based on convective, conductive, or radiant energy transfer or some combination of these types to reduce the energy requirements of that structure from other energy sources, and which is in conformity with such criteria and standards as shall be prescribed by the Secretary in consultation with the Secretary of Energy.
(c) In carrying out subsection (b), the Secretary shall take such steps as may be necessary to encourage the installation of cost-effective and economically feasible solar energy systems in housing assisted under the programs and activities referred to in such subsection taking into account the interests of low-income homeowners and renters, including the implementation of a plan of action to publicize the availability and feasibility of solar energy systems to current or potential recipients of assistance under such programs and activities.
(d) The Secretary shall, in conjunction with the Secretary of Energy, transmit to the Congress, within eighteen months after the date of enactment of this Act, a report setting forth—
(1) the number of solar units which were contracted for or installed or which are on order under the provisions of subsection (b) of this section during the first twelve full calendar months after the date of enactment of this Act; and
(2) an analysis of any problems and benefits related to encouraging the use of solar energy systems in the programs and activities referred to in subsection (b).

TITLE III—PROGRAM AMENDMENTS AND EXTENSIONS
EXTENSION OF FEDERAL HOUSING ADMINISTRATION MORTGAGE INSURANCE PROGRAMS

SEC. 301. (a) Section 2(a) of the National Housing Act is amended by striking out “November 1, 1978” in the first sentence and inserting in lieu thereof “October 1, 1979.”