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SENATE

{ REPORT  
108-353

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND  
URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES  
APPROPRIATIONS BILL, 2005

SEPTEMBER 21, 2004.—Ordered to be printed

Mr. BOND, from the Committee on Appropriations,  
submitted the following

REPORT

[To accompany S. 2825]

The Committee on Appropriations reports the bill (S. 2825) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2005, and for other purposes, reports favorably thereon and recommends that the bill do pass.

*Amount of new budget (obligational) authority*

Amount of bill as reported to Senate .....	\$130,038,049,000
Amount of appropriations, 2004 .....	123,483,681,000
Amount of budget estimates, 2005 .....	127,235,739,000
Above estimates for 2005 .....	2,802,310,000
Above appropriations for 2004 .....	6,554,368,000

sidized projects are deposited. Subject to approval in appropriations acts, the Secretary is authorized under the Housing and Community Development Amendment of 1978 to transfer excess rent collections received after 1978 to the Troubled Projects Operating Subsidy program, renamed the Flexible Subsidy Fund.

COMMITTEE RECOMMENDATION

The Committee recommends that the account continue to serve as a repository of excess rental charges appropriated from the Rental Housing Assistance Fund. Although these resources will not be used for new reservations, they will continue to offset Flexible Subsidy outlays and other discretionary expenditures.

OTHER ASSISTED HOUSING PROGRAMS

RENTAL HOUSING ASSISTANCE

(RESCISSION)

PROGRAM DESCRIPTION

This account includes the rent supplement program, the section 235 program, the section 236 program and IRP rehabilitation grants, all of which provide either grants to tenants or subsidies to owners of low-income housing as a method of maintaining housing for low-income use.

COMMITTEE RECOMMENDATION

The Committee recommends the cancellation of \$675,000,000 in unused and available contract authority.

MANUFACTURED HOUSING FEES TRUST FUND

Appropriations, 2004 .....	\$12,923,000
Budget request, 2004 .....	13,000,000
Committee recommendation .....	13,000,000

PROGRAM DESCRIPTION

The National Manufactured Housing Construction and Safety Standards Act of 1974, as amended by the Manufactured Housing Improvement Act of 2000, authorizes the Secretary to establish Federal manufactured home construction and safety standards for the construction, design, and performance of manufactured homes. All manufactured homes are required to meet the Federal standards, and fees are charged to producers to cover the costs of administering the Act.

COMMITTEE RECOMMENDATION

The Committee recommends \$13,000,000 to support the manufactured housing standards programs to be derived from fees collected and deposited in the Manufactured Housing Fees Trust Fund account. The amount recommended is the same as the budget request and \$77,000 more than the fiscal year 2004 enacted level.

The Committee thanks the Department for submitting line-item expenses for the manufactured housing program in its proposed fiscal year 2005 budget request, and encourages the HUD to continue

doing so in its future budgets. In addition, the Committee encourages HUD to continue to prioritize its expenditures for this program in accordance with the appropriate sections of the Manufactured Housing Improvement Act of 2000.

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

	Limitation on direct loans	Limitation on guaranteed loans	Administrative expenses
Appropriations, 2004 .....	\$50,000,000	\$185,000,000,000	\$356,882,000
Budget estimate, 2005 .....	50,000,000	185,000,000,000	366,000,000
Committee recommendation .....	50,000,000	185,000,000,000	366,000,000

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

	Limitation on direct loans	Limitation on guaranteed loans	Administrative expenses	Program costs
Appropriations, 2004 .....	\$50,000,000	\$25,000,000,000	\$227,649,000	\$14,912,000
Budget estimate, 2005 .....	50,000,000	35,000,000,000	234,000,000	10,000,000
Committee recommendation .....	50,000,000	35,000,000,000	234,000,000	10,000,000

PROGRAM DESCRIPTION

The Federal Housing Administration [FHA] fund covers the mortgage and loan insurance activity of about 40 HUD mortgage/loan insurance programs which are grouped into the mutual mortgage insurance [MMI] fund, cooperative management housing insurance [CMHI] fund, general insurance fund [GI] fund, and the special risk insurance [SRI] fund. For presentation and accounting control purposes, these are divided into two sets of accounts based on shared characteristics. The unsubsidized insurance programs of the mutual mortgage insurance fund and the cooperative management housing insurance fund constitute one set; and the general risk insurance and special risk insurance funds, which are partially composed of subsidized programs, make up the other.

The amounts for administrative expenses are to be transferred from appropriations made in the FHA program accounts to the HUD "Salaries and expenses" accounts. Additionally, funds are also appropriated for administrative contract expenses for FHA activities.

COMMITTEE RECOMMENDATION

The Committee has included the following amounts for the "Mutual Mortgage Insurance Program" account: a limitation on guaranteed loans of \$185,000,000,000, a limitation on direct loans of \$50,000,000, and an appropriation of \$366,000,000 for administrative expenses. For the GI/SRI account, the Committee recommends \$35,000,000,000 as a limitation on guaranteed loans, a limitation on direct loans of \$50,000,000, and \$234,000,000 for administrative expenses. The administrative expenses appropriation will be trans-