

116TH CONGRESS  
1ST SESSION

# H. R. 3295

To study and facilitate the abatement and removal of environmental hazards in homes rehabilitated with community participation, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 14, 2019

Mr. SEAN PATRICK MALONEY of New York (for himself, Mr. SUOZZI, Mr. RYAN, Ms. KAPTUR, Mr. GRIJALVA, Mr. KATKO, Mr. HECK, and Ms. SCANLON) introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To study and facilitate the abatement and removal of environmental hazards in homes rehabilitated with community participation, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Removing Environ-  
5 mental Hazards And Building Safely Act of 2019” or the  
6 “REHABS Act of 2019”.

1 **SEC. 2. STUDY AND REMOVAL OF ENVIRONMENTAL HAZ-**  
2 **ARDS IN HOMES BEING REHABILITATED.**

3 (a) STUDY.—Not later than 1 year after the date of  
4 enactment of this Act, the Secretary of Housing and  
5 Urban Development shall conduct a study on—

6 (1) the best methods to assess the amount of  
7 mold in a single family home prior to such home  
8 being rehabilitated;

9 (2) the danger posed by mold in a single family  
10 home prior to such home being rehabilitated; and

11 (3) best practices for safely removing mold  
12 when rehabilitating a single family home.

13 (b) REPORT.—Not later than 30 days after the com-  
14 pletion of the study pursuant to subsection (a), the Sec-  
15 retary shall submit a report to Congress containing the  
16 results of such study, and make such report available on  
17 a public website of the Department.

18 **SEC. 3. GRANT PROGRAM FOR THE ABATEMENT AND RE-**  
19 **MOVAL OF ENVIRONMENTAL HAZARDS FROM**  
20 **HOMES.**

21 (a) GRANT AUTHORITY.—The Secretary may, to the  
22 extent amounts are available to carry out this section and  
23 the requirements of this section are met, make grants to  
24 provide for or facilitate the abatement and removal of en-  
25 vironmental hazards in homes being rehabilitated to na-  
26 tional and regional organizations and consortia that have

1 experience in providing for or facilitating the abatement  
2 and removal of environmental hazards from homes.

3 (b) GOALS AND ACCOUNTABILITY.—In making  
4 grants under this section, the Secretary shall take such  
5 actions as may be necessary to ensure that—

6 (1) assistance provided under this section is  
7 used to provide for or facilitate the abatement and  
8 removal of environmental hazards in homes being re-  
9 habilitated through the provision of self-help hous-  
10 ing, under which the homeowner contributes a sig-  
11 nificant amount of sweat equity toward the rehabili-  
12 tation of the dwelling;

13 (2) the dwellings for which abatement or re-  
14 moval is performed in connection with assistance  
15 provided under this section are quality dwellings  
16 that comply with local building and safety codes and  
17 standards and are available at prices below the pre-  
18 vailing market prices;

19 (3) the provision of assistance under this sec-  
20 tion establishes and fosters a partnership between  
21 the Federal Government and organizations and con-  
22 sortia, resulting in efficient rehabilitation of afford-  
23 able housing with minimal governmental interven-  
24 tion, limited governmental regulation, and signifi-  
25 cant involvement by private entities;

1           (4) activities to rehabilitate housing assisted  
2           pursuant to this section involve community partici-  
3           pation in which volunteers assist in the rehabilita-  
4           tion of dwellings; and

5           (5) assistance under this section for the abate-  
6           ment or removal of environmental hazards is pro-  
7           vided for dwellings on a geographically diverse basis,  
8           which shall include areas having high housing costs,  
9           rural areas, and areas underserved by other home-  
10          ownership opportunities that are populated by low-  
11          income families unable to otherwise afford housing.

12 If, at any time, the Secretary determines that the goals  
13 under this subsection cannot be met by providing assist-  
14 ance in accordance with the terms of this section, the Sec-  
15 retary shall immediately notify the applicable Committees  
16 in writing of such determination and any proposed  
17 changes for such goals or this section.

18          (c) NATIONAL COMPETITION.—The Secretary shall  
19 select organizations and consortia referred to in subsection  
20 (a) to receive grants through a national competitive proc-  
21 ess, which the Secretary shall establish.

22          (d) USE.—Amounts from grants made under this  
23 section, including any recaptured amounts, shall be used  
24 only for the abatement and removal of environmental haz-  
25 ards in connection with rehabilitating existing homes to

1 make them decent, safe, and sanitary nonluxury dwellings  
2 in the United States for families and persons who other-  
3 wise would be unable to afford to purchase a dwelling.

4 (e) ESTABLISHMENT OF GRANT FUND.—

5 (1) IN GENERAL.—Any amounts from a grant  
6 made under this section shall be deposited by the  
7 grantee organization or consortium in a fund that is  
8 established by such organization or consortium for  
9 such amounts, administered by such organization or  
10 consortium, and available only for the uses described  
11 in subsection (d). Any interest, fees, or other earn-  
12 ings of the fund shall be deposited in the fund and  
13 shall be considered grant amounts for purposes of  
14 this section.

15 (2) ASSISTANCE TO AFFILIATES.—Any organi-  
16 zation or consortia that receives a grant under this  
17 section may use amounts in the fund established for  
18 such organizations or consortia pursuant to para-  
19 graph (1), for the uses described in subsection (d),  
20 by providing assistance from the fund to local affili-  
21 ates of such organizations and consortia.

22 (f) REQUIREMENTS FOR ASSISTANCE.—The Sec-  
23 retary may make a grant to an organization or consortium  
24 under subsection (a) only pursuant to—

1           (1) an expression of interest by such organiza-  
2           tion or consortia to the Secretary for a grant for  
3           such purposes; and

4           (2) a grant agreement entered into under sub-  
5           section (g).

6           (g) GRANT AGREEMENT.—A grant under this section  
7           shall be made only pursuant to a grant agreement entered  
8           into by the Secretary and the organization or consortia  
9           receiving the grant, which shall—

10           (1) require such organization or consortia to  
11           use grant amounts only as provided in this section;

12           (2) require the organization or consortia to use  
13           the grant amounts in a manner that leverages other  
14           sources of funding other than grants under this sec-  
15           tion, including private or public funds, in rehabili-  
16           tating dwellings;

17           (3) provide that the Secretary shall recapture  
18           any grant amounts provided to the organization or  
19           consortia that are not used within 24 months after  
20           such amounts are first disbursed to the organization  
21           or consortia; and

22           (4) contain such other terms as the Secretary  
23           may require to provide for compliance with sub-  
24           section (b) and the requirements of this section.

1 (h) FULFILLMENT OF GRANT AGREEMENT.—If the  
2 Secretary determines that an organization or consortia  
3 awarded a grant under this section has not, within 24  
4 months after grant amounts are first made available to  
5 the organization or consortia, substantially fulfilled the ob-  
6 ligations under the grant agreement, the Secretary shall  
7 use any such undisbursed amounts remaining from such  
8 grants for other grants in accordance with this section.

9 (i) RECORDS AND AUDITS.—During the period begin-  
10 ning upon the making of a grant under this section and  
11 ending upon close-out of the grant under subsection (j)—

12 (1) the organization awarded the grant shall  
13 keep such records and adopt such administrative  
14 practices as the Secretary may require to ensure  
15 compliance with the provisions of this section and  
16 the grant agreement; and

17 (2) the Secretary and the Comptroller General  
18 of the United States, and any of their duly ap-  
19 pointed representatives, shall have access for the  
20 purpose of audit and examination to any books, doc-  
21 uments, papers, and records of the grantee organiza-  
22 tion or consortia and its affiliates that are pertinent  
23 to the grant made under this section.

24 (j) CLOSE-OUT.—The Secretary shall close out a  
25 grant made under this section upon determining that the

1 aggregate amount of any assistance provided from the  
2 fund established under subsection (e)(1) by the grantee  
3 organization or consortium exceeds the amount of the  
4 grant. For purposes of this subsection, any interest, fees,  
5 and other earnings of the fund shall be excluded from the  
6 amount of the grant.

7 (k) REPORT TO CONGRESS.—Not later than 90 days  
8 after close-out of all grants under this section is com-  
9 pleted, the Secretary shall submit a report to the applica-  
10 ble Committees describing—

11 (1) the grants made under this section;

12 (2) the grantees;

13 (3) the housing for which abatement or removal  
14 of environmental hazards was performed in connec-  
15 tion with the grant amounts; and

16 (4) the purposes for which the grant amounts  
17 were used.

18 **SEC. 4. DEFINITIONS.**

19 For purposes of this Act, the following definitions  
20 shall apply:

21 (1) APPLICABLE COMMITTEES.—The term “ap-  
22 plicable Committees” means the House Committee  
23 on Financial Services and the Senate Committee on  
24 Banking, Housing, and Urban Affairs.

1           (2) ENVIRONMENTAL HAZARD.—The term “en-  
 2           vironmental hazard” means any condition that  
 3           causes exposure to lead, asbestos, mold, and other  
 4           hazards as determined by the Secretary.

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

7           (4) UNITED STATES.—The term “United  
 8           States” includes the States of the United States, the  
 9           District of Columbia, the Commonwealth of Puerto  
 10          Rico, the Commonwealth of the Northern Mariana  
 11          Islands, Guam, the Virgin Islands, American Samoa,  
 12          and any other territory or possession of the United  
 13          States.

14 **SEC. 5. AUTHORIZATION OF APPROPRIATIONS.**

15          There is authorized to be appropriated such sums as  
 16          may be necessary to carry out this Act.

17 **SEC. 6. SUNSET.**

18          The Secretary shall not enter into any grant agree-  
 19          ment, contract, or obligation under this Act after the con-  
 20          clusion of fiscal year 2022.

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