

117TH CONGRESS
2D SESSION

H. R. 7078

To amend title VI of the Social Security Act to allow State and Local Fiscal Recovery Funds to be loaned for low-income housing tax credit projects.

IN THE HOUSE OF REPRESENTATIVES

MARCH 15, 2022

Ms. ADAMS (for herself, Mr. ROUZER, and Mrs. CAROLYN B. MALONEY of New York) introduced the following bill; which was referred to the Committee on Oversight and Reform

A BILL

To amend title VI of the Social Security Act to allow State and Local Fiscal Recovery Funds to be loaned for low-income housing tax credit projects.

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 “LIHTC Financing En-
5 abling Long-term Investment in Neighborhood Excellence
6 Act” or the “LIFELINE Act”.

1 **SEC. 2. AUTHORITY TO LOAN STATE AND LOCAL FISCAL RE-**
2 **COVERY FUNDS FOR LOW-INCOME HOUSING**
3 **TAX CREDIT PROJECTS.**

4 (a) IN GENERAL.—Title VI of the Social Security Act
5 (42 U.S.C. 801 et seq.) is amended—

6 (1) in section 602—

7 (A) in subsection (a)(1), by inserting “(ex-
8 cept as provided in subsection (c)(5))” after
9 “December 31, 2024”; and

10 (B) in subsection (c)—

11 (i) in paragraph (1), in the matter
12 preceding subparagraph (A), by striking
13 “paragraph (3)” and inserting “para-
14 graphs (3), (4), and (5)”; and

15 (ii) by adding at the end the following
16 new paragraph:

17 “(5) USE OF FUNDS FOR LOW-INCOME HOUS-
18 ING TAX CREDIT PROJECTS.—

19 “(A) IN GENERAL.—A State, territory, or
20 Tribal government may use funds provided
21 under this section to finance ‘qualified low-in-
22 come housing projects’ within the meaning of
23 section 42(g) of the Internal Revenue Code of
24 1986 with loans having maturities of 30 or
25 more years. Such loans must be obligated by
26 December 31, 2024, and expended for eligible

costs by December 31, 2026. Any amount loaned in accordance with this subparagraph shall be considered incurred in accordance with the requirements of this subsection.

“(B) RETURNED OR REPAID FUNDS.—

Under regulations prescribed by the Secretary, any funds used by a State, territory, or Tribal government in accordance with subparagraph (A) that are returned to the State, territory, or Tribal government, including from loan repayment, shall be used to finance affordable housing, including ‘qualified low-income housing projects’ within the meaning of section 42(g) of the Internal Revenue Code of 1986.”; and

(2) in section 603—

(A) in subsection (a), by inserting “(except as provided in subsection (c)(6))” after “December 31, 2024”; and

(B) in subsection (c)—

(i) in paragraph (1), in the matter preceding subparagraph (A), by striking “paragraphs (3) and (4)” and inserting “paragraphs (3), (4), (5), and (6)”; and

(ii) by adding at the end the following new paragraph:

1 “(6) USE OF FUNDS FOR LOW-INCOME HOUS-
2 ING TAX CREDIT PROJECTS.—

3 “(A) IN GENERAL.—A metropolitan city,
4 nonentitlement unit of local government, or
5 county may use funds provided under this sec-
6 tion to finance ‘qualified low-income housing
7 projects’ within the meaning of section 42(g) of
8 the Internal Revenue Code of 1986 with loans
9 having maturities of 30 or more years. Such
10 loans must be obligated by December 31, 2024,
11 and expended for eligible costs by December 31,
12 2026. Any amount loaned in accordance with
13 this subparagraph shall be considered incurred
14 in accordance with the requirements of this
15 subsection.

16 “(B) RETURNED OR REPAID FUNDS.—
17 Under regulations prescribed by the Secretary,
18 any funds used by a metropolitan city, non-
19 entitlement unit of local government, or county
20 in accordance with subparagraph (A) that are
21 returned to the metropolitan city, nonentitle-
22 ment unit of local government, or county, in-
23 cluding from loan repayment, shall be used to
24 finance affordable housing, including ‘qualified
25 low-income housing projects’ within the mean-

1 ing of section 42(g) of the Internal Revenue
2 Code of 1986.”.

3 (b) TECHNICAL AMENDMENTS.—Sections 602(c)(3)
4 and 603(c)(3) of title VI of the Social Security Act (42
5 U.S.C. 802(c)(3), 803(c)(3)) are each amended by striking
6 “paragraph (17) of”.

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