

119TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

To establish a permanent rural housing preservation and revitalization program, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

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Mrs. SHAHEEN (for herself and Mr. MORAN) introduced the following bill;  
which was read twice and referred to the Committee on

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## **A BILL**

To establish a permanent rural housing preservation and revitalization program, 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 “Strategy and Invest-  
5       ment in Rural Housing Preservation Act of 2025”.

6       **SEC. 2. PERMANENT ESTABLISHMENT OF HOUSING PRES-**  
7       **ERVATION AND REVITALIZATION PROGRAM.**

8       Title V of the Housing Act of 1949 (42 U.S.C. 1471  
9       et seq.) is amended by adding at the end the following:

1 **“SEC. 545. HOUSING PRESERVATION AND REVITALIZATION**  
2 **PROGRAM.**

3 “(a) ESTABLISHMENT.—The Secretary shall carry  
4 out a program under this section for the preservation and  
5 revitalization of multifamily rental housing projects fi-  
6 nanced under section 514, 515, or 516.

7 “(b) NOTICE OF MATURING LOANS.—

8 “(1) TO OWNERS.—On an annual basis, the  
9 Secretary shall provide written notice to each owner  
10 of a property financed under section 514, 515, or  
11 516 that will mature within the 4-year period begin-  
12 ning upon the provision of the notice, setting forth  
13 the options and financial incentives that are avail-  
14 able to facilitate the extension of the loan term or  
15 the option to decouple a rental assistance contract  
16 pursuant to subsection (f).

17 “(2) TO TENANTS.—

18 “(A) IN GENERAL.—For each property fi-  
19 nanced under section 514, 515, or 516, begin-  
20 ning not later than the date that is 3 years be-  
21 fore the date on which the loan will mature, the  
22 Secretary shall, on an annual basis, provide  
23 written notice to each household residing in the  
24 property that informs them of —

25 “(i) the date of the loan maturity;

1 “(ii) the possible actions that may  
2 happen with respect to the property upon  
3 that maturity; and

4 “(iii) how to protect their right to re-  
5 side in federally assisted housing or secure  
6 a voucher under section 542 of this Act or  
7 section 8 of the United States Housing Act  
8 of 1937 (42 U.S.C. 1437f) after that ma-  
9 turity.

10 “(B) LANGUAGE.—Notice under this para-  
11 graph shall be provided in plain English and  
12 shall be translated to other languages in the  
13 case of any property that has a significant  
14 number of residents who speak those other lan-  
15 guages.

16 “(c) LOAN RESTRUCTURING.—Under the program  
17 under this section, in any circumstance in which the Sec-  
18 retary proposes a restructuring to an owner or an owner  
19 proposes a restructuring to the Secretary, the Secretary  
20 may restructure such existing housing loans, as the Sec-  
21 retary considers appropriate, for the purpose of ensuring  
22 that those projects have sufficient resources to preserve  
23 the projects to provide safe and affordable housing for low-  
24 income residents and farm laborers, by—

25 “(1) reducing or eliminating interest;

1 “(2) deferring loan payments;

2 “(3) subordinating, reducing, or reamortizing  
3 loan debt; and

4 “(4) providing other financial assistance, in-  
5 cluding advances, payments, and incentives (includ-  
6 ing the ability of owners to obtain reasonable re-  
7 turns on investment) required by the Secretary.

8 “(d) RENEWAL OF RENTAL ASSISTANCE.—

9 “(1) IN GENERAL.—When the Secretary pro-  
10 poses to restructure a loan or agrees to the proposal  
11 of an owner to restructure a loan pursuant to sub-  
12 section (c), the Secretary shall offer to renew the  
13 rental assistance contract under section 521(a)(2)  
14 for the shorter of the term of the loan or a 20-year  
15 term that is subject to annual appropriations, pro-  
16 vided that the owner agrees to bring the property up  
17 to or maintain the property at such standards that  
18 will ensure maintenance of the property as decent,  
19 safe, and sanitary housing for the full term of the  
20 rental assistance contract.

21 “(2) ADDITIONAL RENTAL ASSISTANCE.—With  
22 respect to a project described in paragraph (1), if  
23 rental assistance is not available for all households  
24 in the project for which the loan is being restruc-  
25 tured pursuant to subsection (c), the Secretary may

1 extend such additional rental assistance to unas-  
2 sisted households at that project as is necessary to  
3 make the project safe and affordable to low-income  
4 households.

5 “(e) RESTRICTIVE USE AGREEMENTS.—

6 “(1) REQUIREMENT.—As part of the preserva-  
7 tion and revitalization agreement for a project, the  
8 Secretary shall obtain a restrictive use agreement  
9 that is recorded and obligates the owner to operate  
10 the project in accordance with this title.

11 “(2) TERM.—

12 “(A) NO EXTENSION OF RENTAL ASSIST-  
13 ANCE CONTRACT.—Except when the Secretary  
14 enters into a 20-year extension of the rental as-  
15 sistance contract for a project, the term of the  
16 restrictive use agreement for the project shall  
17 be consistent with the term of the restructured  
18 loan for the project.

19 “(B) EXTENSION OF RENTAL ASSISTANCE  
20 CONTRACT.—If the Secretary enters into a 20-  
21 year extension of the rental assistance contract  
22 for a project, the term of the restrictive use  
23 agreement for the project shall be for the longer  
24 of 20 years or the remaining term of the loan.

1                   “(C) TERMINATION.—The Secretary may  
2                   terminate the 20-year restrictive use agreement  
3                   for a project before the end of the term of the  
4                   agreement if the 20-year rental assistance con-  
5                   tract for the project with the owner is termi-  
6                   nated at any time for reasons outside the con-  
7                   trol of the owner.

8                   “(f) DECOUPLING OF RENTAL ASSISTANCE.—

9                   “(1) RENEWAL OF RENTAL ASSISTANCE CON-  
10                  TRACT.—If the Secretary determines that a matur-  
11                  ing loan for a project that matures within the 4-year  
12                  notification period described in subsection (b)(1)  
13                  cannot reasonably be restructured in accordance  
14                  with subsection (c) because it is not financially fea-  
15                  sible or the owner does not agree with the proposed  
16                  restructuring, and the project was operating with  
17                  rental assistance under section 521, the Secretary  
18                  may renew the rental assistance contract, notwith-  
19                  standing any provision of section 521 that the recipi-  
20                  ent may be a borrower under section 514 or 515, for  
21                  a term, subject to annual appropriations, of 20  
22                  years, provided that the owner enters into a restric-  
23                  tive use agreement.

24                  “(2) ADDITIONAL RENTAL ASSISTANCE.—With  
25                  respect to a project described in paragraph (1), if

1       rental assistance is not available for all households  
2       in the project, the Secretary may extend such addi-  
3       tional rental assistance to unassisted households at  
4       that project as is necessary to make the project safe  
5       and affordable to low-income households.

6           “(3) RENTS.—Any agreement to extend the  
7       term of the rental assistance contract under section  
8       521 for a project shall obligate the owner to con-  
9       tinue to maintain the project as decent, safe and  
10      sanitary housing and to operate the development in  
11      accordance with this title, except that rents shall be  
12      based on the lesser of—

13           “(A) the budget-based needs of the project;  
14      or

15           “(B) the operating cost adjustment factor  
16      as a payment standard as provided under sec-  
17      tion 524 of the Multifamily Assisted Housing  
18      Reform and Affordability Act of 1997 (42  
19      U.S.C. 1437 note).

20           “(4) CONDITIONS FOR APPROVAL.—

21           “(A) PLAN.—Before the approval of a  
22      rental assistance contract authorized under this  
23      section, the Secretary shall require the owner to  
24      submit to the Secretary a plan that identifies fi-  
25      nancing sources and a timetable for renovations

1 and improvements determined to be necessary  
2 by the Secretary to maintain and preserve the  
3 project.

4 “(B) AUTOMATIC APPROVAL.—If a plan  
5 submitted under subparagraph (A) is not acted  
6 upon by the Secretary within 30 days of the  
7 submission, the rental assistance contract is  
8 automatically approved for not more than a 1-  
9 year period.

10 “(g) MULTIFAMILY HOUSING TRANSFER TECHNICAL  
11 ASSISTANCE.—Under the program under this section, the  
12 Secretary may provide grants to qualified nonprofit orga-  
13 nizations and public housing agencies to provide technical  
14 assistance, including financial and legal services, to bor-  
15 rowers under loans under this title for multifamily housing  
16 to facilitate the acquisition or preservation of such multi-  
17 family housing properties in areas where the Secretary de-  
18 termines there is a risk of loss of affordable housing.

19 “(h) TRANSFER OF RENTAL ASSISTANCE.—

20 “(1) IN GENERAL.—The Secretary shall develop  
21 a process—

22 “(A) to support tenants residing in a rent-  
23 al project originally financed under section 514,  
24 515, or 516—



1 “(i) with a loan or loans that have  
2 matured or have been prepaid; and

3 “(ii) the owner of which will not re-  
4 structure the loan or continue a rental as-  
5 sistance contract under this section;

6 “(B) that expedites the ability of those  
7 tenants to transfer rental assistance to another  
8 property financed under section 514, 515, or  
9 516, or obtain a housing voucher;

10 “(C) that allows those tenants to pre-reg-  
11 ister to transfer rental assistance; and

12 “(D) that provides time frames for proc-  
13 essing transfer or voucher requests for those  
14 tenants.

15 “(i) ADMINISTRATIVE EXPENSES.—Of any amounts  
16 made available for the program under this section for any  
17 fiscal year, the Secretary may use not more than  
18 \$1,000,000 for administrative expenses for carrying out  
19 such program.

20 “(j) AUTHORIZATION OF APPROPRIATIONS.—There  
21 is authorized to be appropriated for the program under  
22 this section \$200,000,000 for each of fiscal years 2026  
23 through 2030.

24 “(k) RULEMAKING.—

1           “(1) IN GENERAL.—Not later than 180 days  
2           after the date of enactment of the Strategy and In-  
3           vestment in Rural Housing Preservation Act of  
4           2025, the Secretary shall—

5                   “(A) publish an advance notice of proposed  
6                   rulemaking; and

7                   “(B) consult with appropriate stake-  
8                   holders.

9           “(2) INTERIM FINAL RULE.—Not later than 1  
10          year after the date of enactment of the Strategy and  
11          Investment in Rural Housing Preservation Act of  
12          2025, the Secretary shall publish an interim final  
13          rule to carry out this section.”.

14   **SEC. 3. ELIGIBILITY FOR RURAL HOUSING VOUCHERS.**

15          Section 542 of the Housing Act of 1949 (42 U.S.C.  
16   1490r) is amended by adding at the end the following:

17          “(c) ELIGIBILITY OF HOUSEHOLDS IN SECTIONS  
18   514, 515, AND 516 PROJECTS.—The Secretary may pro-  
19   vide rural housing vouchers under this section for any low-  
20   income household (including those not receiving rental as-  
21   sistance) residing for the remaining term of their lease in  
22   effect just prior to prepayment, in a property financed  
23   with a loan made or insured under section 514 or 515,  
24   or a grant under section 516, that has—

1           “(1) been prepaid without restrictions imposed  
2       by the Secretary pursuant to section  
3       502(c)(5)(G)(ii)(I);  
4           “(2) been foreclosed; or  
5           “(3) matured after September 30, 2005 and the  
6       property is not receiving rental assistance under sec-  
7       tion 545(f).”.

8   **SEC. 4. AMOUNT OF VOUCHER ASSISTANCE.**

9       Notwithstanding any other provision of law, in the  
10      case of any rural housing voucher provided pursuant to  
11      section 542 of the Housing Act of 1949 (42 U.S.C.  
12      1490r), the amount of the monthly assistance payment for  
13      the household on whose behalf the assistance is provided  
14      shall be determined as provided in subsection (a) of such  
15      section 542.

16   **SEC. 5. RENTAL ASSISTANCE CONTRACT AUTHORITY.**

17      Section 521(d) of the Housing Act of 1949 (42  
18      U.S.C. 1490a(d)) is amended—

19           (1) in paragraph (1)—

20                (A) by redesignating subparagraphs (B)  
21                and (C) as subparagraphs (C) and (D), respec-  
22                tively;

23                (B) by inserting after subparagraph (A)  
24                the following:

1           “(B) upon request of an owner of a project  
2           financed under section 514 or 515 or an owner  
3           who has entered into a restrictive use agree-  
4           ment under section 545(e), the Secretary is au-  
5           thorized to enter into a renewal of such agree-  
6           ments for a period of 20 years or the term of  
7           the loan, whichever is shorter, subject to  
8           amounts made available in appropriations  
9           Acts;” and

10           (C) in subparagraph (C), as so redesign-  
11           nated, by striking “subparagraph (A)” and in-  
12           serting “subparagraphs (A) and (B)” and

13           (D) in subparagraph (D), as so redesign-  
14           nated, by striking “subparagraphs (A) and  
15           (B)” and inserting “subparagraphs (A), (B),  
16           and (C)”;

17           (2) in paragraph (2), by striking “shall” and  
18           inserting “may”; and

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

20           “(3) In the case of any rental assistance con-  
21           tract authority that becomes available due to the ter-  
22           mination of assistance on behalf of an assisted ten-  
23           ant, the Secretary shall provide the owner with a pe-  
24           riod of not less than 1 year to provide that assist-  
25           ance on behalf of an eligible unassisted tenant who

1 will reside in the same rental project in which the  
2 assisted tenant resided.”.

3 **SEC. 6. FUNDING FOR MULTIFAMILY TECHNICAL IMPROVE-**  
4 **MENTS.**

5 (a) **AUTHORIZATION OF APPROPRIATIONS.**—There is  
6 authorized to be appropriated to the Secretary of Agri-  
7 culture \$50,000,000 for fiscal year 2026 for improving the  
8 technology of the Department of Agriculture used to proc-  
9 ess and service loans for multifamily housing and other-  
10 wise managing that housing.

11 (b) **TIMELINE.**—The improvements required under  
12 subsection (a) shall be made within the 5-year period be-  
13 ginning upon the appropriation of amounts under sub-  
14 section (a), and those amounts shall remain available until  
15 the expiration of that 5-year period.

16 **SEC. 7. PLAN FOR PRESERVING AFFORDABILITY OF RENT-**  
17 **AL PROJECTS.**

18 (a) **PLAN.**—Not later than 6 months after the date  
19 of enactment of this Act, the Secretary of Agriculture (in  
20 this section referred to as the “Secretary”) shall submit  
21 to Congress a written plan for preserving the affordability  
22 for low-income families of rental projects for which loans  
23 were made under section 514 or 515 of the Housing Act  
24 of 1949 (42 U.S.C. 1484, 1485) and avoiding the displace-  
25 ment of tenant households, which shall—

1           (1) set forth specific performance goals and  
2       measures;

3           (2) set forth the specific actions and mecha-  
4       nisms by which those goals will be achieved;

5           (3) set forth specific measurements by which  
6       progress towards achievement of each goal can be  
7       measured;

8           (4) provide for detailed reporting on outcomes;  
9       and

10          (5) include any legislative recommendations to  
11       assist in achievement of the goals under the plan.

12       (b) ADVISORY COMMITTEE.—

13           (1) ESTABLISHMENT; PURPOSE.—The Sec-  
14       retary shall establish an advisory committee (in this  
15       section referred to as the “advisory committee”) to  
16       assist the Secretary in—

17           (A) preserving properties assisted under  
18       section 514 or 515 of the Housing Act of 1949  
19       (42 U.S.C. 1484, 1485) through the multi-  
20       family housing preservation and revitalization  
21       program under section 545 of such Act, as  
22       added by section 2 of this Act; and

23           (B) implementing the plan required under  
24       subsection (a).

1           (2) MEMBERSHIP.—The advisory committee  
2 shall consist of 16 members, appointed by the Sec-  
3 retary, as follows:

4           (A) A designee of the Rural Housing Serv-  
5 ice selected by the Multifamily Housing Deputy  
6 Administrator of the Rural Housing Service.

7           (B) The Administrator for Rural Housing  
8 Service of the Department of Agriculture.

9           (C) Two representatives of for-profit devel-  
10 opers or owners of multifamily rural rental  
11 housing.

12           (D) Two representatives of nonprofit devel-  
13 opers or owners of multifamily rural rental  
14 housing.

15           (E) Two representatives of State housing  
16 finance agencies.

17           (F) Two representatives of tenants of mul-  
18 tifamily rural rental housing.

19           (G) One representative of a community de-  
20 velopment financial institution that is involved  
21 in preserving the affordability of housing as-  
22 sisted under section 514, 515, or 516 of the  
23 Housing Act of 1949 (42 U.S.C. 1484, 1485,  
24 1486).

1           (H) One representative of a nonprofit or-  
2           ganization that operates nationally and has ac-  
3           tively participated in the preservation of hous-  
4           ing assisted by the Rural Housing Service by  
5           conducting research regarding, and providing fi-  
6           nancing and technical assistance for, preserving  
7           the affordability of that housing.

8           (I) One representative of low-income hous-  
9           ing tax credit investors.

10          (J) One representative of regulated finan-  
11          cial institutions that finance affordable multi-  
12          family rural rental housing developments.

13          (K) Two representatives from nonprofit or-  
14          ganizations representing farmworkers, including  
15          1 organization representing farmworker women.

16          (3) MEETINGS.—The advisory committee shall  
17          meet not less often than once each calendar quarter.

18          (4) FUNCTIONS.—In providing assistance to the  
19          Secretary to carry out the purpose of the advisory  
20          committee, the advisory committee shall carry out  
21          the following functions:

22               (A) Assisting the Rural Housing Service of  
23               the Department of Agriculture to improve esti-  
24               mates of the size, scope, and condition of rental  
25               housing portfolio of the Rural Housing Service,



1 including the time frames for maturity of mort-  
2 gages and costs for preserving the portfolio as  
3 affordable housing.

4 (B) Reviewing policies and procedures of  
5 the Rural Housing Service regarding preserva-  
6 tion of affordable rental housing financed under  
7 section 514, 515, 516, or 538 of the Housing  
8 Act of 1949 (42 U.S.C. 1484, 1485, 1486,  
9 1490p-2), the Multifamily Preservation and  
10 Revitalization Demonstration program, and the  
11 rental assistance program and making rec-  
12 ommendations regarding improvements and  
13 modifications to those policies and procedures.

14 (C) Providing ongoing review of Rural  
15 Housing Service program results.

16 (D) Providing reports to Congress and the  
17 public on meetings, recommendations, and other  
18 findings of the advisory committee.

19 (5) TRAVEL COSTS.—Any amounts made avail-  
20 able for administrative costs of the Department of  
21 Agriculture may be used for costs of travel by mem-  
22 bers of the advisory committee to meetings of the  
23 advisory committee.