

[DISCUSSION DRAFT]117TH CONGRESS
1ST SESSION**H. R.** _____

To establish a pilot program for the Secretary of Housing and Urban Development to evaluate the effectiveness of insuring mortgages made to finance improvements to convert basement spaces into safely habitable dwelling units, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. MEEKS introduced the following bill; which was referred to the Committee
on _____

A BILL

To establish a pilot program for the Secretary of Housing and Urban Development to evaluate the effectiveness of insuring mortgages made to finance improvements to convert basement spaces into safely habitable dwelling units, 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 “Habitable Housing
5 Conversion Pilot Program Act of 2021”.

1 **SEC. 2. PILOT PROGRAM FOR INSURANCE OF CONVERSION**
2 **LOANS.**

3 (a) **ESTABLISHMENT.**—The Secretary of Housing
4 and Urban Development (in this section referred to as the
5 “Secretary”) shall carry out pilot program to insure mort-
6 gages, under section 203(k) of the National Housing Act
7 (12 U.S.C. 1709(k)(2)), made to finance improvements
8 necessary to convert space in the basements of owner-oc-
9 cupied properties, into safe and habitable dwelling units
10 that are to be made available for rental, meet all State
11 and local building and safety standards and codes, and
12 comply with the regulations issued by the Secretary pursu-
13 ant to subsection (c) of this section.

14 (b) **SCOPE.**—The Secretary shall carry out the pilot
15 program under this section during the 5-year period begin-
16 ning on the date of the enactment of this Act and may
17 insure not more than 50,000 mortgages under the pro-
18 gram.

19 (c) **REGULATIONS.**—The Secretary shall issue such
20 regulations as may be necessary to carry out the pilot pro-
21 gram under this section, including regulations to ensure
22 the safety and habitability of spaces converted into dwell-
23 ing units using mortgages insured under the program.

24 (d) **REPORT.**—Upon the expiration of the 5-year pe-
25 riod beginning on the date of the enactment of this Act,
26 the Secretary shall submit a report to the Congress de-

1 scribing and assessing the pilot program under this sec-
2 tion, identifying any successes of and problems with the
3 program, and making recommendations regarding reau-
4 thorizing, reforming, or terminating the program.