

HR 4253

Preservation Enhancement and Savings Opportunity Act of 2012

Congress: 112 (2011–2013, Ended)

Chamber: House

Policy Area: Housing and Community Development

Introduced: Mar 22, 2012

Current Status: Referred to the Subcommittee on Insurance, Housing and Community Opportunity.

Latest Action: Referred to the Subcommittee on Insurance, Housing and Community Opportunity. (Apr 26, 2012)

Official Text: <https://www.congress.gov/bill/112th-congress/house-bill/4253>

Sponsor

Name: Rep. Paulsen, Erik [R-MN-3]

Party: Republican • **State:** MN • **Chamber:** House

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Grimm, Michael G. [R-NY-13]	R · NY		Mar 22, 2012

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Referred to	Apr 26, 2012

Subjects & Policy Tags

Policy Area:

Housing and Community Development

Related Bills

No related bills are listed.

Preservation Enhancement and Savings Opportunity Act of 2012 - Amends the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (LIHPRHA) to entitle the owner of a property subject to a plan of action or use agreement to distribute: (1) annually, all surplus cash generated by the property; and (2) upon request made to the Secretary of Housing and Urban Development (HUD), any funds accumulated in a residual receipts account. Entitles the owner to such distribution, however, only if the individual is in material compliance with the use agreement.

Declares that neither LIHPRHA, nor any plan of action or use agreement implementing it, shall restrict an owner from obtaining a new loan or refinancing a loan secured by a low-income housing project, or from distributing the proceeds of such a loan, except that the treatment of the loan for purposes of budget-based project rents shall be within the Secretary's discretion.

Grants an owner who received a direct capital loan under the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997, upon 30 days written notice to the Secretary, including payment of the present value of the loan as determined under a discount rate equal to the Office of Management and Budget's (OMB) nominal Treasury rate of appropriate duration based upon the loan's maturity, the right to defease the loan or to obtain the release of the instrument securing it.

Amends the Multifamily Assisted Housing Reform and Affordability Act of 1997 with respect to the requirement that the Secretary, upon expiration of a project-based contract for low-income housing assistance under section 8 of the United States Housing Act of 1937 for a project subject to an approved plan of action under either LIHPRHA or the Emergency Low Income Housing Preservation Act of 1987, provide the owner with benefits comparable to those provided under the plan of action, including distributions, rent increase procedures, and duration of low-income affordability restrictions. Revises the requirement to require that the benefits provided to the owner be at least comparable to those provided under the plan of action. Authorizes the owner to request a rent increase.

Actions Timeline

- **Apr 26, 2012:** Referred to the Subcommittee on Insurance, Housing and Community Opportunity.
- **Mar 22, 2012:** Introduced in House
- **Mar 22, 2012:** Referred to the House Committee on Financial Services.