

**MOTION TO RECOMMIT THE BILL, H.R. 1728**  
**WITH INSTRUCTIONS**

MR. SESSIONS OF TEXAS moves to recommit the bill, H.R. 1728, to the Committee on Financial Services with instructions to report the same back to the House forthwith with the following amendment:

After section 407, insert the following new section:

1 **SEC. 408. ACCOUNTABILITY AND TRANSPARENCY FOR**  
2 **GRANT RECIPIENTS.**

3 Section 106 of the Housing and Urban Development  
4 Act of 1968 (12 U.S.C. 1701x), as amended by the pre-  
5 ceding provisions of this title, is further amended by add-  
6 ing at the end the following:

7 “(i) ACCOUNTABILITY FOR RECIPIENTS OF COVERED  
8 ASSISTANCE.—

9 “(1) TRACKING OF FUNDS.—The Secretary  
10 shall—

11 “(A) develop and maintain a system to en-  
12 sure that any organization or entity that re-  
13 ceives any covered assistance uses all amounts  
14 of covered assistance in accordance with this  
15 section or section 216 of the Mortgage Reform

1 and Anti-Predatory Lending Act, as applicable,  
2 the regulations issued under this section or  
3 such section 216, as applicable, and any re-  
4 quirements or conditions under which such  
5 amounts were provided; and

6 “(B) require any organization or entity, as  
7 a condition of receipt of any covered assistance,  
8 to agree to comply with such requirements re-  
9 garding covered assistance as the Secretary  
10 shall establish, which shall include—

11 “(i) appropriate periodic financial and  
12 grant activity reporting, record retention,  
13 and audit requirements for the duration of  
14 the covered assistance to the organization  
15 or entity to ensure compliance with the  
16 limitations and requirements of this section  
17 or section 216 of the Mortgage Reform  
18 and Anti-Predatory Lending Act, as appli-  
19 cable, the regulations under this section or  
20 such section 216, as applicable, and any  
21 requirements or conditions under which  
22 such amounts were provided; and

23 “(ii) any other requirements that the  
24 Secretary determines are necessary to en-

1           sure appropriate administration and com-  
2           pliance.

3           “(2) MISUSE OF FUNDS.—If any organization  
4           or entity that receives any covered assistance is de-  
5           termined by the Secretary to have used any covered  
6           assistance in a manner that is materially in violation  
7           of this section or section 216 of the Mortgage Re-  
8           form and Anti-Predatory Lending Act, as applicable,  
9           the regulations issued under this section or such sec-  
10          tion 216, as applicable, or any requirements or con-  
11          ditions under which such assistance was provided—

12                   “(A) the Secretary shall require that, with-  
13                   in 12 months after the determination of such  
14                   misuse, the organization or entity shall reim-  
15                   burse the Secretary for such misused amounts  
16                   and return to the Secretary any such amounts  
17                   that remain unused or uncommitted for use;  
18                   and

19                   “(B) such organization or entity shall be  
20                   ineligible, at any time after such determination,  
21                   to apply for or receive any further covered as-  
22                   sistance.

23          The remedies under this paragraph are in addition  
24          to any other remedies that may be available under  
25          law.

1           “(3) COVERED ASSISTANCE.—For purposes of  
2           this subsection, the term ‘covered assistance’ means  
3           any grant or other financial assistance provided  
4           under—

5                       “(A) this section; or

6                       “(B) section 216 of the Mortgage Reform  
7           and Anti-Predatory Lending Act.”.

