

Section 916 of Pub. L. 101-625, as amended by Pub. L. 102-550, title VIII, Sec. 810, Oct. 28, 1992, 106 Stat. 3850; Pub. L. 104-204, title II, Sept. 26, 1996, 110 Stat. 2887, provided that:

"(a) Set-Aside for **Colonias**. - The States of Arizona, California, New Mexico, and Texas shall each make available, for activities designed to meet the needs of the residents of **colonias** in the State relating to water, sewage, and housing, the following percentage of the amount allocated for the State under section 106(d) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(d)):

"(1) First fiscal year. - For the first fiscal year to which this section applies, 10 percent.

"(2) Succeeding fiscal years. - For each of the succeeding fiscal years to which this section applies, a percentage (not to exceed 10 percent) that is determined by the Secretary of Housing and Urban Development to be appropriate after consultation with representatives of the interests of the residents of **colonias**.

"(b) Eligible Activities. - Assistance distributed pursuant to this section may be used only to carry out the following activities:

"(1) Planning. - Payment of the cost of planning community development (including water and sewage facilities) and housing activities, including the cost of -

"(A) the provision of information and technical assistance to residents of the area in which the activities are to be concentrated and to appropriate nonprofit organizations and public agencies acting on behalf of the residents; and

"(B) preliminary surveys and analyses of market needs, preliminary site engineering and architectural services, site options, applications, mortgage commitments, legal services, and obtaining construction loans.

"(2) Assessments for public improvements. - The payment of assessments (including any charge made as a condition of obtaining access) levied against properties owned and occupied by persons of low and moderate income to recover the capital cost for a public improvement.

"(3) Other improvements. - Other activities eligible under section 105 of the Housing and Community Development Act of 1974 [42 U.S.C. 5305] designed to meet the needs of residents of **colonias**.

"(c) Distribution of Assistance. - Assistance shall be made available pursuant to this section in accordance with a distribution plan that gives priority to **colonias** having the greatest need for such assistance.

"(d) Applicable Law. - Except to the extent inconsistent with this section, assistance provided pursuant to this section shall be subject to the provisions of title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.).

"(e) Definitions. - For purposes of this section:

"(1) **Colonia**. - The term '**colonia**' means any identifiable community that -

"(A) is in the State of Arizona, California, New Mexico, or Texas;

"(B) is in the United States-Mexico border region;

"(C) is determined to be a **colonia** on the basis of objective criteria, including lack of potable water supply, lack of adequate sewage systems, and lack of decent, safe, and sanitary housing; and

"(D) was in existence as a **colonia** before the date of the enactment of the Cranston-Gonzalez National Affordable Housing Act [Nov. 28, 1990].

"(2) Nonprofit organization. - The term 'nonprofit organization' means an organization described in section 501(c) of the Internal Revenue Code of 1986 [26 U.S.C. 501(c)] and exempt from taxation under section 501(a) of such Code.

"(3) Persons of low and moderate income. - The term 'persons of low and moderate income' has the meaning given the term in section 102(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)).

"(4) United states-mexico border region. - The term 'United States-Mexico border region' means the area of the United States within 150 miles of the border between the United States and Mexico, except that the term does not include any standard metropolitan statistical area that has a population exceeding 1,000,000."