

Union Calendar No. 157

111TH CONGRESS
1ST SESSION

H. R. 3045

[Report No. 111-277]

To reform the housing choice voucher program under section 8 of the United States Housing Act of 1937.

IN THE HOUSE OF REPRESENTATIVES

JUNE 25, 2009

Ms. WATERS (for herself, Mr. FRANK of Massachusetts, Mr. BACA, Mr. COHEN, and Mrs. BIGGERT) introduced the following bill; which was referred to the Committee on Financial Services

SEPTEMBER 30, 2009

Additional sponsors: Ms. LEE of California, Mr. HINOJOSA, Mr. PIERLUISI, and Mr. ISRAEL

SEPTEMBER 30, 2009

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on June 25, 2009]

A BILL

To reform the housing choice voucher program under section
8 of the United States Housing Act of 1937.

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 AND TABLE OF CONTENTS.**

4 (a) *SHORT TITLE.*—*This Act may be cited as the “Sec-*
 5 *tion 8 Voucher Reform Act of 2009”.*

6 (b) *TABLE OF CONTENTS.*—*The table of contents for*
 7 *this Act is as follows:*

- Sec. 1. Short title and table of contents.*
- Sec. 2. Inspection of dwelling units.*
- Sec. 3. Rent reform and income reviews.*
- Sec. 4. Eligibility for assistance based on assets and income.*
- Sec. 5. Targeting assistance to low-income working families.*
- Sec. 6. Voucher renewal funding.*
- Sec. 7. Administrative fees.*
- Sec. 8. Homeownership.*
- Sec. 9. PHA reporting of rent payments to credit reporting agencies.*
- Sec. 10. Performance assessments.*
- Sec. 11. PHA project-based assistance.*
- Sec. 12. Rent burdens.*
- Sec. 13. Establishment of fair market rent.*
- Sec. 14. Screening of applicants.*
- Sec. 15. Prohibition on firearms restrictions in federally assisted housing.*
- Sec. 16. Enhanced vouchers.*
- Sec. 17. Demonstration program waiver authority.*
- Sec. 18. Authorization of appropriations.*
- Sec. 19. Agency authority for utility payments in certain circumstances.*
- Sec. 20. Utility data.*
- Sec. 21. Project-based preservation vouchers.*
- Sec. 22. Effect of foreclosure on section 8 tenancies.*
- Sec. 23. Study to identify obstacles to using vouchers in federally subsidized hous-*
ing projects.
- Sec. 24. Interagency Council on Homelessness.*
- Sec. 25. Study of effects of section 8 program on HUD budget and programs.*
- Sec. 26. Housing innovation program.*
- Sec. 27. Study of use of income databases to reduce subsidy errors.*
- Sec. 28. Acceptable identification requirement.*
- Sec. 29. Effective date.*

8 **SEC. 2. INSPECTION OF DWELLING UNITS.**

9 *Section 8(o)(8) of the United States Housing Act of*
 10 *1937 (42 U.S.C. 1437f(o)(8)) is amended—*

1 (1) *by striking subparagraph (A) and inserting*
2 *the following new subparagraph:*

3 “(A) *INITIAL INSPECTION.*—

4 “(i) *IN GENERAL.*—*For each dwelling*
5 *unit for which a housing assistance pay-*
6 *ment contract is established under this sub-*
7 *section, the public housing agency (or other*
8 *entity pursuant to paragraph (11)) shall*
9 *inspect the unit before any assistance pay-*
10 *ment is made to determine whether the*
11 *dwelling unit meets the housing quality*
12 *standards under subparagraph (B), except*
13 *as provided in clause (ii) or (iii) of this*
14 *subparagraph.*

15 “(ii) *CORRECTION OF NON-LIFE*
16 *THREATENING CONDITIONS.*—*In the case of*
17 *any dwelling unit that is determined, pur-*
18 *suant to an inspection under clause (i), not*
19 *to meet the housing quality standards under*
20 *subparagraph (B), assistance payments*
21 *may be made for the unit notwithstanding*
22 *subparagraph (C) if failure to meet such*
23 *standards is a result only of non-life threat-*
24 *ening conditions, as such conditions are es-*
25 *tablished by the Secretary. A public housing*

1 agency making assistance payments pursu-
2 ant to this clause for a dwelling unit shall,
3 30 days after the beginning of the period for
4 which such payments are made, suspend
5 any assistance payments for the unit if any
6 deficiency resulting in noncompliance with
7 the housing quality standards has not been
8 corrected by such time, and may not resume
9 such payments until each such deficiency
10 has been corrected.

11 “(iii) *USE OF ALTERNATIVE INSPEC-*
12 *TION METHOD FOR INTERIM PERIOD.—In*
13 *the case of any property that within the*
14 *previous 12 months has met the require-*
15 *ments of an inspection that qualifies as an*
16 *alternative inspection method pursuant to*
17 *subparagraph (E), a public housing agency*
18 *may authorize occupancy before the inspec-*
19 *tion under clause (i) has been completed,*
20 *and may make assistance payments retro-*
21 *active to the beginning of the lease term*
22 *after the unit has been determined pursuant*
23 *to an inspection under clause (i) to meet the*
24 *housing quality standards under subpara-*
25 *graph (B).”;*

1 (2) *by redesignating subparagraph (E) as sub-*
2 *paragraph (H); and*

3 (3) *by striking subparagraph (D) and inserting*
4 *the following new subparagraphs:*

5 “(D) *BIENNIAL INSPECTIONS.—*

6 “(i) *REQUIREMENT.—Each public*
7 *housing agency providing assistance under*
8 *this subsection (or other entity, as provided*
9 *in paragraph (11)) shall, for each assisted*
10 *dwelling unit, make inspections not less*
11 *often than biennially during the term of the*
12 *housing assistance payments contract for*
13 *the unit to determine whether the unit is*
14 *maintained in accordance with the require-*
15 *ments under subparagraph (A).*

16 “(ii) *USE OF ALTERNATIVE INSPEC-*
17 *TION METHOD.—The requirement under*
18 *clause (i) may be complied with by use of*
19 *inspections that qualify as an alternative*
20 *inspection method pursuant to subpara-*
21 *graph (E).*

22 “(iii) *RECORDS.—The agency (or other*
23 *entity) shall retain the records of the inspec-*
24 *tion for a reasonable time and shall make*
25 *the records available upon request to the*

1 *Secretary, the Inspector General for the De-*
2 *partment of Housing and Urban Develop-*
3 *ment, and any auditor conducting an audit*
4 *under section 5(h).*

5 *“(E) ALTERNATIVE INSPECTION METHOD.—*

6 *An inspection of a property shall qualify as an*
7 *alternative inspection method for purposes of this*
8 *subparagraph if—*

9 *“(i) the inspection was conducted pur-*
10 *suant to requirements under a Federal,*
11 *State, or local housing assistance program*
12 *(including the HOME investment partner-*
13 *ships program under title II of the Cran-*
14 *ston-Gonzalez National Affordable Housing*
15 *Act (42 U.S.C. 12721 et seq.) and the low-*
16 *income housing tax credit program under*
17 *section 42 of the Internal Revenue Code of*
18 *1986); and*

19 *“(ii) pursuant to such inspection, the*
20 *property was determined to meet the stand-*
21 *ards or requirements regarding housing*
22 *quality or safety applicable to units assisted*
23 *under such program, and, if a non-Federal*
24 *standard was used, the public housing agen-*
25 *cy has certified to the Secretary that such*

1 standards or requirements provide the same
2 protection to occupants of dwelling units
3 meeting such standards or requirements as,
4 or greater protection than, the housing qual-
5 ity standards under subparagraph (B).

6 “(F) *INTERIM INSPECTIONS.*—Upon notifi-
7 cation to the public housing agency, by a family
8 on whose behalf tenant-based rental assistance is
9 provided under this subsection or by a govern-
10 ment official, that the dwelling unit for which
11 such assistance is provided does not comply with
12 the housing quality standards under subpara-
13 graph (B), the agency shall inspect the dwelling
14 unit—

15 “(i) in the case of any condition that
16 is life-threatening, within 24 hours after re-
17 ceipt of such notice; and

18 “(ii) in the case of any condition that
19 is not life-threatening, within 15 days after
20 receipt of such notice.

21 “(G) *ENFORCEMENT OF HOUSING QUALITY*
22 *STANDARDS.*—

23 “(i) *DETERMINATION OF NONCOMPLI-*
24 *ANCE.*—A dwelling unit that is covered by
25 a housing assistance payments contract

1 *under this subsection shall be considered, for*
2 *purposes of subparagraphs (D) and (F), to*
3 *be in noncompliance with the housing qual-*
4 *ity standards under subparagraph (B) if—*

5 *“(I) the public housing agency or*
6 *an inspector authorized by the State or*
7 *unit of local government determines*
8 *upon inspection of the unit that the*
9 *unit fails to comply with such stand-*
10 *ards;*

11 *“(II) the agency or inspector noti-*
12 *fies the owner of the unit in writing of*
13 *such failure to comply; and*

14 *“(III) the failure to comply is not*
15 *corrected—*

16 *“(aa) in the case of any such*
17 *failure that is a result of life-*
18 *threatening conditions, within 24*
19 *hours after such notice has been*
20 *provided; and*

21 *“(bb) in the case of any such*
22 *failure that is a result of non-life*
23 *threatening conditions, within 30*
24 *days after such notice has been*
25 *provided or such other reasonable*

1 longer period as the public hous-
2 ing agency may establish.

3 “(ii) *WITHHOLDING OF ASSISTANCE*
4 *AMOUNTS DURING CORRECTION.*—The pub-
5 lic housing agency may withhold assistance
6 amounts under this subsection with respect
7 to a dwelling unit that does not comply
8 with housing quality standards under sub-
9 paragraph (B) as determined pursuant to
10 an inspection conducted under subpara-
11 graph (D) or (F). If the unit is brought into
12 compliance with such housing quality
13 standards during the periods referred to in
14 clause (i)(III), the public housing agency
15 shall recommence assistance payments and
16 may use any amounts withheld during the
17 correction period to make assistance pay-
18 ments relating to the period during which
19 payments were withheld.

20 “(iii) *ABATEMENT OF ASSISTANCE*
21 *AMOUNTS.*—The public housing agency shall
22 abate all of the assistance amounts under
23 this subsection with respect to a dwelling
24 unit that is determined, pursuant to clause
25 (i) of this subparagraph, to be in non-

1 *compliance with housing quality standards*
2 *under subparagraph (B). Upon completion*
3 *of repairs by the public housing agency or*
4 *the owner sufficient so that the dwelling*
5 *unit complies with such housing quality*
6 *standards, the agency shall recommence*
7 *payments under the housing assistance pay-*
8 *ments contract to the owner of the dwelling*
9 *unit.*

10 “(iv) *USE OF ABATED ASSISTANCE TO*
11 *PAY FOR REPAIRS.—*

12 “(I) *AUTHORITY.—The public*
13 *housing agency may use such amounts*
14 *abated to make repairs to the dwelling*
15 *unit or to contract to have repairs*
16 *made, except that a contract to make*
17 *repairs may not be entered into with*
18 *the inspector for the dwelling unit re-*
19 *ferred to in clause (i)(I).*

20 “(II) *ABATED FUNDS.—For pur-*
21 *poses of this clause, abated amounts*
22 *may include amounts withheld during*
23 *the correction period described in*
24 *clause (ii) of this subparagraph with*
25 *respect to a dwelling unit that is subse-*

1 *quently determined under clause (i) to*
2 *be in noncompliance with housing*
3 *quality standards.*

4 *“(III) LIMITATION OF LIABILITY*
5 *OF PUBLIC HOUSING AGENCIES.—A*
6 *public housing agency that uses its au-*
7 *thority under this clause shall not, if*
8 *the agency accomplishes the work*
9 *through a contractor that is licensed,*
10 *bonded, and insured in amounts and*
11 *with coverage as required by the Sec-*
12 *retary, be liable for any injury or*
13 *damages that may result to persons or*
14 *to any property owned by the tenant*
15 *or owner.*

16 *“(v) NOTIFICATION.—If a public hous-*
17 *ing agency providing assistance under this*
18 *subsection abates rental assistance pay-*
19 *ments pursuant to clause (iii) with respect*
20 *to a dwelling unit, the agency shall, upon*
21 *commencement of such abatement—*

22 *“(I) notify the tenant and the*
23 *owner of the dwelling unit that—*

24 *“(aa) such abatement has*
25 *commenced; and*

1 “(bb) if the dwelling unit is
2 not brought into compliance with
3 housing quality standards within
4 60 days after the effective date of
5 the determination of noncompli-
6 ance under clause (i) or such rea-
7 sonable longer period as the agen-
8 cy may establish, the tenant will
9 have to move; and

10 “(II) issue the tenant the nec-
11 essary forms to allow the tenant to
12 move to another dwelling unit and
13 transfer the rental assistance to that
14 unit.

15 “(vi) *PROTECTION OF TENANTS.*—An
16 owner of a dwelling unit may not terminate
17 the tenancy of any tenant because of the
18 withholding or abatement of assistance pur-
19 suant to this subparagraph. During the pe-
20 riod that assistance is abated pursuant to
21 this subparagraph, the tenant may termi-
22 nate the tenancy by notifying the owner.

23 “(vii) *TERMINATION OF LEASE OR AS-*
24 *SISTANCE PAYMENTS CONTRACT.*—If assist-
25 ance amounts under this section for a dwell-

1 *ing unit are abated pursuant to clause (iii)*
2 *and the owner does not correct the non-*
3 *compliance within 60 days after the effec-*
4 *tive date of the determination of noncompli-*
5 *ance under clause (i), or such other reason-*
6 *able longer period as the public housing*
7 *agency may establish, and the agency does*
8 *not use its authority under clause (iv), the*
9 *agency shall terminate the housing assist-*
10 *ance payments contract for the dwelling*
11 *unit.*

12 “(viii) *RELOCATION.*—

13 “(I) *LEASE OF NEW UNIT.*—*The*
14 *agency shall provide the family resid-*
15 *ing in such a dwelling unit a period of*
16 *90 days or such longer period as is*
17 *necessary to lease a new unit, begin-*
18 *ning upon termination of the contract,*
19 *to lease a new residence with tenant-*
20 *based rental assistance under this sec-*
21 *tion.*

22 “(II) *AVAILABILITY OF PUBLIC*
23 *HOUSING UNITS.*—*If the family is un-*
24 *able to lease such a new residence dur-*
25 *ing such period, the public housing*

1 *agency shall, at the option of the fam-*
2 *ily, provide such family a preference*
3 *for occupancy in a dwelling unit of*
4 *public housing that is owned or oper-*
5 *ated by the agency that first becomes*
6 *available for occupancy after the expi-*
7 *ration of such period.*

8 *“(III) ASSISTANCE IN FINDING*
9 *UNIT.—The public housing agency*
10 *shall provide reasonable assistance to*
11 *the family in finding a new residence,*
12 *including use of up to two months of*
13 *any assistance amounts abated pursu-*
14 *ant to clause (iii) for costs directly as-*
15 *sociated with relocation of the family*
16 *to a new residence, which may include*
17 *moving expenses and security deposits.*
18 *The agency may require that a family*
19 *receiving assistance for a security de-*
20 *posit shall remit, to the extent of such*
21 *assistance, the amount of any security*
22 *deposit refunds made by the owner of*
23 *the dwelling unit for which the lease*
24 *was terminated.*

1 “(ix) *TENANT-CAUSED DAMAGES.*—If a
2 *public housing agency determines that any*
3 *damage to a dwelling unit that results in a*
4 *failure of the dwelling unit to comply with*
5 *housing quality standards under subpara-*
6 *graph (B), other than any damage resulting*
7 *from ordinary use, was caused by the ten-*
8 *ant, any member of the tenant’s household,*
9 *or any guest or other person under the ten-*
10 *ant’s control, the agency may waive the ap-*
11 *plicability of this subparagraph, except that*
12 *this clause shall not exonerate a tenant from*
13 *any liability otherwise existing under ap-*
14 *plicable law for damages to the premises*
15 *caused by such tenant.*

16 “(x) *APPLICABILITY.*—This subpara-
17 *graph shall apply to any dwelling unit for*
18 *which a housing assistance payments con-*
19 *tract is entered into or renewed after the*
20 *date of the effectiveness of the regulations*
21 *implementing this subparagraph.”.*

22 **SEC. 3. RENT REFORM AND INCOME REVIEWS.**

23 (a) *RENT FOR PUBLIC HOUSING AND SECTION 8 PRO-*
24 *GRAMS.*—Section 3 of the United States Housing Act of
25 1937 (42 U.S.C. 1437a) is amended—

1 (1) *in subsection (a)—*

2 (A) *in paragraph (1) by inserting “LOW-IN-*
3 *COME OCCUPANCY REQUIREMENT AND RENTAL*
4 *PAYMENTS.—” after “(1)”;*

5 (B) *in paragraph (1)—*

6 (i) *by striking “paragraph (2)” and*
7 *inserting “paragraphs (2) and (3)”;* and

8 (ii) *by striking “paragraph (3)” and*
9 *inserting “paragraph (4)”;*

10 (C) *in paragraph (2)(A)(i), by striking*
11 *“paragraph (3)” and inserting “paragraph (4)”;*

12 (D) *by redesignating paragraphs (3), (4),*
13 *and (5) as paragraphs (4), (5), and (6), respec-*
14 *tively;*

15 (E) *by inserting after paragraph (2) the fol-*
16 *lowing new paragraph:*

17 “(3) *PHA AUTHORITY TO ESTABLISH ALTER-*
18 *NATIVE RENTS.—*

19 “(A) *RENT FLEXIBILITY FOR PUBLIC HOUS-*
20 *ING.—Subject to the requirements under sub-*
21 *paragraph (B), a public housing agency may es-*
22 *tablish for public housing—*

23 “(i) *a tenant rent structure in which—*

24 “(I) *the public housing agency es-*
25 *tablishes, based on the rental value of*

1 *the unit, as determined by the public*
2 *housing agency, a ceiling rent for each*
3 *dwelling unit that it owns and oper-*
4 *ates; and*

5 *“(II) such ceiling rent is adjusted*
6 *periodically on the basis of an infla-*
7 *tion index or a recalculation of the*
8 *rental value of the unit (which may be*
9 *recalculated by unit or by building);*

10 *“(ii) an income-tiered tenant rent*
11 *structure in which the amount of rent a*
12 *family shall pay is set and distributed on*
13 *the basis of broad tiers of income and such*
14 *tiers and rents are adjusted on the basis of*
15 *an annual cost index except that families*
16 *shall not be offered a rent lower than the*
17 *rent corresponding to their income tier; or*

18 *“(iii) a tenant rent structure in which*
19 *the amount of rent a family shall pay is*
20 *based on a percentage of family income, ex-*
21 *cept that lower percentages may apply only*
22 *with respect to earned income; such a rent*
23 *structure may provide for an amount of*
24 *rent based on a calculation of earned in-*
25 *come that provides for disregard of a higher*

1 percentage or higher dollar amount, or both,
2 than provided for in paragraph (8)(B).

3 “(B) *LIMITATION.*—Notwithstanding the
4 authority provided under subparagraph (A), the
5 amount paid for rent (including the amount al-
6 lowed for tenant-paid utilities) by any family
7 for a dwelling unit in public housing may not
8 exceed the amount determined under subsection
9 (a)(1) of this section. The Secretary shall issue
10 regulations and establish procedures for public
11 housing agency calculations and documentation
12 as are necessary to ensure compliance with this
13 subparagraph.

14 “(C) *ELDERLY FAMILIES AND DISABLED*
15 *FAMILIES.*—Notwithstanding any other provision
16 of this Act, this paragraph shall not apply to el-
17 derly families and disabled families.”; and

18 (F) by adding at the end the following new
19 paragraphs:

20 “(7) *REVIEWS OF FAMILY INCOME.*—

21 “(A) *FREQUENCY.*—Reviews of family in-
22 come for purposes of this section shall be made—

23 “(i) in the case of all families, upon
24 the initial provision of housing assistance
25 for the family;

1 “(ii) annually thereafter, except as
2 provided in subparagraph (B)(i);

3 “(iii) upon the request of the family, at
4 any time the income or deductions (under
5 subsection (b)(5)) of the family change by
6 an amount that is estimated to result in a
7 decrease of \$1,200 (or such lower amount as
8 the public housing agency or owner may, at
9 the option of the agency or owner, establish)
10 or more in annual adjusted income; and

11 “(iv) at any time the income or deduc-
12 tions (under subsection (b)(5)) of the family
13 change by an amount that is estimated to
14 result in an increase of \$1,200 or more in
15 annual adjusted income, except that any in-
16 crease in the earned income of a family
17 shall not be considered for purposes of this
18 clause (except that earned income may be
19 considered if the increase corresponds to
20 previous decreases under clause (iii)), except
21 that a public housing agency or owner may
22 elect not to conduct such review in the last
23 three months of a certification period.

24 “(B) *FIXED-INCOME FAMILIES.*—

1 “(i) *SELF CERTIFICATION AND 3-YEAR*
2 *REVIEW.*—*In the case of any family de-*
3 *scribed in clause (ii), after the initial re-*
4 *view of the family’s income pursuant to*
5 *subparagraph (A)(i), the public housing*
6 *agency or owner shall not be required to*
7 *conduct a review of the family’s income*
8 *pursuant to subparagraph (A)(ii) for any*
9 *year for which such family certifies, in ac-*
10 *cordance with such requirements as the Sec-*
11 *retary shall establish, that the income of the*
12 *family meets the requirements of clause (ii)*
13 *of this subparagraph and that the sources of*
14 *such income have not changed since the pre-*
15 *vious year, except that the public housing*
16 *agency or owner shall conduct a review of*
17 *each such family’s income not less than once*
18 *every 3 years.*

19 “(ii) *ELIGIBLE FAMILIES.*—*A family*
20 *described in this clause is a family who has*
21 *an income, as of the most recent review pur-*
22 *suant to subparagraph (A) or clause (i) of*
23 *this subparagraph, of which 90 percent or*
24 *more consists of fixed income, as such term*
25 *is defined in clause (iii).*

1 “(iii) *FIXED INCOME*.—For purposes of
2 this subparagraph, the term ‘fixed income’
3 includes income from—

4 “(I) *the supplemental security in-*
5 *come program under title XVI of the*
6 *Social Security Act, including supple-*
7 *mentary payments pursuant to an*
8 *agreement for Federal administration*
9 *under section 1616(a) of the Social Se-*
10 *curity Act and payments pursuant to*
11 *an agreement entered into under sec-*
12 *tion 212(b) of Public Law 93–66;*

13 “(II) *Social Security payments;*

14 “(III) *Federal, State, local and*
15 *private pension plans; and*

16 “(IV) *other periodic payments re-*
17 *ceived from annuities, insurance poli-*
18 *cies, retirement funds, disability or*
19 *death benefits, and other similar types*
20 *of periodic receipts that are of substan-*
21 *tially the same amounts from year to*
22 *year.*

23 “(C) *IN GENERAL*.—*Reviews of family in-*
24 *come for purposes of this section shall be subject*
25 *to the provisions of section 904 of the Stewart B.*

1 *McKinney Homeless Assistance Amendments Act*
2 *of 1988.*

3 “(8) *CALCULATION OF INCOME.—*

4 “(A) *USE OF CURRENT YEAR INCOME.—In*
5 *determining family income for initial occupancy*
6 *or provision of housing assistance pursuant to*
7 *clause (i) of paragraph (7)(A) or pursuant to re-*
8 *views pursuant to clause (iii) or (iv) of such*
9 *paragraph, a public housing agency or owner*
10 *shall use the income of the family as estimated*
11 *by the agency or owner for the upcoming year.*

12 “(B) *USE OF PRIOR YEAR INCOME.—In de-*
13 *termining family income for annual reviews*
14 *pursuant to paragraph (7)(A)(ii), a public hous-*
15 *ing agency or owner shall, except as otherwise*
16 *provided in this paragraph, use the income of*
17 *the family as determined by the agency or owner*
18 *for the preceding year, taking into consideration*
19 *any redetermination of income during such prior*
20 *year pursuant to clause (iii) or (iv) of para-*
21 *graph (7)(A).*

22 “(C) *INFLATIONARY ADJUSTMENT FOR*
23 *FIXED INCOME FAMILIES.—*

24 “(i) *IN GENERAL.—In any year in*
25 *which a public housing agency or owner*

1 *does not conduct a review of income for any*
2 *family described in clause (ii) of paragraph*
3 *(7)(B) pursuant to the authority under*
4 *clause (i) of such paragraph to waive such*
5 *a review, such family's prior year's income*
6 *determination shall, subject to clauses (ii)*
7 *and (iii), be adjusted by applying an infla-*
8 *tionary factor as the Secretary shall, by reg-*
9 *ulation, establish.*

10 *“(ii) EXEMPTION FROM ADJUST-*
11 *MENT.—A public housing agency or owner*
12 *may exempt from an adjustment pursuant*
13 *to clause (i) any income source for which*
14 *income does not increase from year to year.*

15 *“(iii) APPLICABILITY OF INFLATIONARY*
16 *FACTOR.—The inflationary factor adjust-*
17 *ment referred to in clause (i) shall not be*
18 *made with respect to the first year after the*
19 *year in which housing is occupied or hous-*
20 *ing assistance is initially provided for a*
21 *family.*

22 *“(D) OTHER INCOME.—In determining the*
23 *income for any family based on the prior year's*
24 *income, with respect to prior year calculations of*
25 *income not subject to subparagraph (B), a public*

1 *housing agency or owner may make other adjust-*
2 *ments as it considers appropriate to reflect cur-*
3 *rent income.*

4 “(E) *SAFE HARBOR.*—A public housing
5 agency or owner may, to the extent such infor-
6 mation is available to the public housing agency
7 or owner, determine the family’s income prior to
8 the application of any deductions based on time-
9 ly income determinations made for purposes of
10 other means-tested Federal public assistance pro-
11 grams (including the program for block grants to
12 States for temporary assistance for needy fami-
13 lies under part A of title IV of the Social Secu-
14 rity Act, a program for Medicaid assistance
15 under a State plan approved under title XIX of
16 the Social Security Act, and the food stamp pro-
17 gram as defined in section 3(h) of the Food
18 Stamp Act of 1977). The Secretary shall, in con-
19 sultation with other appropriate Federal agen-
20 cies, develop procedures to enable public housing
21 agencies and owners to have access to such in-
22 come determinations made by other means-tested
23 Federal programs that the Secretary determines
24 to have comparable reliability. Exchanges of such
25 information shall be subject to the same limita-

1 *tions and tenant protections provided under sec-*
2 *tion 904 of the Stewart B. McKinney Homeless*
3 *Assistance Act Amendments of 1988 (42 U.S.C.*
4 *3544) with respect to information obtained*
5 *under the requirements of section 303(i) of the*
6 *Social Security Act (42 U.S.C. 503(i)).*

7 *“(F) PHA AND OWNER COMPLIANCE.—A*
8 *public housing agency or owner may not be con-*
9 *sidered to fail to comply with this paragraph or*
10 *paragraph (7) due solely to any de minimus er-*
11 *rors made by the agency or owner in calculating*
12 *family incomes.”;*

13 *(2) by striking subsections (d) and (e); and*

14 *(3) by redesignating subsection (f) as subsection*
15 *(d).*

16 *(b) INCOME.—Section 3(b) of the United States Hous-*
17 *ing Act of 1937 (42 U.S.C. 1437a(b)) is amended—*

18 *(1) by striking paragraph (4) and inserting the*
19 *following new paragraph:*

20 *“(4) INCOME.—The term ‘income’ means, with*
21 *respect to a family, income received from all sources*
22 *by each member of the household who is 18 years of*
23 *age or older or is the head of household or spouse of*
24 *the head of the household, plus unearned income by*
25 *or on behalf of each dependent who is less than 18*

1 *years of age, as determined in accordance with cri-*
2 *teria prescribed by the Secretary, in consultation with*
3 *the Secretary of Agriculture, subject to the following*
4 *requirements:*

5 “(A) *INCLUDED AMOUNTS.*—*Such term in-*
6 *cludes recurring gifts and receipts, actual income*
7 *from assets, and profit or loss from a business.*

8 “(B) *EXCLUDED AMOUNTS.*—*Such term*
9 *does not include—*

10 “(i) *any imputed return on assets;*

11 “(ii) *any amounts that would be eligi-*
12 *ble for exclusion under section 1613(a)(7) of*
13 *the Social Security Act (42 U.S.C.*
14 *1382b(a)(7)); and*

15 “(iii) *deferred disability benefits from*
16 *the Department of Veterans Affairs that are*
17 *received in a lump sum amount or in pro-*
18 *spective monthly amounts.*

19 “(C) *EARNED INCOME OF STUDENTS.*—*Such*
20 *term does not include earned income of any de-*
21 *pendent earned during any period that such de-*
22 *pendent is attending school or vocational train-*
23 *ing on a full-time basis or any grant-in-aid or*
24 *scholarship amounts related to such attendance*
25 *used for the cost of tuition or books.*

1 “(D) *EDUCATIONAL SAVINGS ACCOUNTS.*—
2 *Income shall be determined without regard to*
3 *any amounts in or from, or any benefits from,*
4 *any Coverdell education savings account under*
5 *section 530 of the Internal Revenue Code of 1986*
6 *or any qualified tuition program under section*
7 *529 of such Code.*

8 “(E) *OTHER EXCLUSIONS.*—*Such term shall*
9 *not include other exclusions from income as are*
10 *established by the Secretary or any amount re-*
11 *quired by Federal law to be excluded from con-*
12 *sideration as income. The Secretary may not re-*
13 *quire a public housing agency or owner to main-*
14 *tain records of any amounts excluded from in-*
15 *come pursuant to this subparagraph.”; and*

16 (2) *by striking paragraph (5) and inserting the*
17 *following new paragraph:*

18 “(5) *ADJUSTED INCOME.*—*The term ‘adjusted in-*
19 *come’ means, with respect to a family, the amount (as*
20 *determined by the public housing agency or owner) of*
21 *the income of the members of the family residing in*
22 *a dwelling unit or the persons on a lease, after any*
23 *deductions from income as follows:*

24 “(A) *EARNED INCOME DISREGARD.*—*An*
25 *amount equal to 10 percent of the lesser of—*

1 “(i) the family’s earned income; or

2 “(ii) \$9,000, except that such amount
3 shall be adjusted annually by applying to
4 such amount (as it may have been pre-
5 viously adjusted) an inflationary factor as
6 the Secretary shall, by regulation, establish
7 and except that for purposes of adjusted in-
8 come determinations each year such amount
9 shall be established by rounding the amount
10 calculated down to the next lowest multiple
11 of \$1,000.

12 *The deduction under this subparagraph shall not*
13 *be considered in determining adjusted income for*
14 *the purposes of section 16 (relating to eligibility*
15 *for assisted housing and income mix).*

16 “(B) *ELDERLY AND DISABLED FAMILIES.—*
17 *\$725 in the case of any family that is an elderly*
18 *family or a disabled family.*

19 “(C) *DEPENDENTS.—In the case of any*
20 *family that includes a member or members*
21 *who—*

22 “(i) *are less than 18 years of age or at-*
23 *tending school or vocational training on a*
24 *full-time basis; or*

1 “(ii) is a person with disabilities who
2 is 18 years of age or older and resides in
3 the household,

4 \$500 for each such member.

5 “(D) CHILD CARE.—The amount, if any,
6 that exceeds 10 percent of annual family income
7 that is used to pay for unreimbursed child care
8 expenses, which shall include child care for pre-
9 school-age children, for before- and after-care for
10 children in school, and for other child care nec-
11 essary to enable a member of the family to be
12 employed or further his or her education.

13 “(E) HEALTH AND MEDICAL EXPENSES.—
14 The amount, if any, by which 10 percent of an-
15 nual family income is exceeded by the sum of—

16 “(i) in the case of any elderly or dis-
17 abled family, any unreimbursed health and
18 medical care expenses; and

19 “(ii) any unreimbursed reasonable at-
20 tendant care and auxiliary apparatus ex-
21 penses for each handicapped member of the
22 family, to the extent necessary to enable any
23 member of such family to be employed.

24 “(F) PERMISSIVE DEDUCTIONS.—Such ad-
25 ditional deductions as a public housing agency

1 *may, at its discretion, establish, except that the*
2 *Secretary shall establish procedures to ensure*
3 *that such deductions do not materially increase*
4 *Federal expenditures.*

5 *The Secretary shall annually calculate the amounts of*
6 *the deductions under subparagraphs (B) and (C), as*
7 *such amounts may have been previously calculated,*
8 *by applying an inflationary factor as the Secretary*
9 *shall, by regulation, establish, except that the actual*
10 *deduction determined for each year shall be estab-*
11 *lished by rounding such amount to the next lowest*
12 *multiple of \$25.”.*

13 *(c) HOUSING CHOICE VOUCHER PROGRAM.—Para-*
14 *graph (5) of section 8(o) of the United States Housing Act*
15 *of 1937 (42 U.S.C. 1437f(o)(5)) is amended—*

16 *(1) in the paragraph heading, by striking “AN-*
17 *NUAL REVIEW” and inserting “REVIEWS”;*

18 *(2) in subparagraph (A)—*

19 *(A) by striking “the provisions of” and in-*
20 *serting “paragraphs (7) and (8) of section 3(a)*
21 *and to”; and*

22 *(B) by striking “and shall be conducted*
23 *upon the initial provision of housing assistance*
24 *for the family and thereafter not less than annu-*
25 *ally”; and*

1 (3) in subparagraph (B), by striking the second
2 sentence.

3 (d) *ENHANCED VOUCHER PROGRAM.*—Section
4 8(t)(1)(D) of the United States Housing Act of 1937 (42
5 U.S.C. 1437f(t)(1)(D)) is amended by striking “income”
6 each place such term appears and inserting “annual ad-
7 justed income”.

8 (e) *PROJECT-BASED HOUSING.*—Paragraph (3) of sec-
9 tion 8(c) of the United States Housing Act of 1937 (42
10 U.S.C. 1437f(c)(3)) is amended by striking the last sentence.

11 (f) *IMPACT ON PUBLIC HOUSING REVENUES.*—

12 (1) *ADJUSTMENTS TO OPERATING FORMULA.*—If
13 the Secretary of Housing and Urban Development de-
14 termines that the application of the amendments
15 made by this section results in a material and dis-
16 proportionate reduction in the rental income of cer-
17 tain public housing agencies during the first year in
18 which the amendments made by this section are im-
19 plemented, the Secretary may make appropriate ad-
20 justments in the formula income for such year of those
21 agencies experiencing such a reduction.

22 (2) *HUD REPORTS ON REVENUE AND COST IM-*
23 *PACT.*—In each of the first two years after the first
24 year in which the amendments made by this section
25 are implemented, the Secretary of Housing and

1 *Urban Development shall submit a report to Congress*
2 *identifying and calculating the impact of changes*
3 *made by the amendments made by this section and*
4 *sections 4 and 5 of this Act on the revenues and costs*
5 *of operating public housing units, the voucher pro-*
6 *gram for rental assistance under section 8 of the*
7 *United States Housing Act of 1937, and the program*
8 *under such section 8 for project-based rental assist-*
9 *ance. If such report identifies a material reduction in*
10 *the net income of public housing agencies nationwide*
11 *or a material increase in the costs of funding the*
12 *voucher program or the project-based assistance pro-*
13 *gram, the Secretary shall include in such report rec-*
14 *ommendations for legislative changes to reduce or*
15 *eliminate such a reduction.*

16 *(g) EFFECTIVE DATE.—The amendments made by this*
17 *section shall take effect during the first calendar year after*
18 *regulations or notice has been adopted to implement such*
19 *amendments, except that the Secretary may delay such ef-*
20 *fective date by one year upon a determination that such*
21 *delay is necessary for public housing agencies and owners*
22 *to make the necessary changes to comply with such amend-*
23 *ments.*

1 **SEC. 4. ELIGIBILITY FOR ASSISTANCE BASED ON ASSETS**
2 **AND INCOME.**

3 (a) *ASSETS.*—Section 16 of the United States Housing
4 Act of 1937 (42 U.S.C. 1437n) is amended by inserting
5 after subsection (d) the following new subsection:

6 “(e) *ELIGIBILITY FOR ASSISTANCE BASED ON AS-*
7 *SETS.*—

8 “(1) *LIMITATION ON ASSETS.*—Subject to para-
9 graph (3) and notwithstanding any other provision of
10 this Act, a dwelling unit assisted under this Act may
11 not be rented and assistance under this Act may not
12 be provided, either initially or at each recertification
13 of family income, to any family—

14 “(A) whose net family assets exceed
15 \$100,000, as such amount is adjusted annually
16 by applying an inflationary factor as the Sec-
17 retary considers appropriate; or

18 “(B) who has a present ownership interest
19 in, a legal right to reside in, and the effective
20 legal authority to sell, real property that is suit-
21 able for occupancy as a residence, except that the
22 prohibition under this subparagraph shall not
23 apply to—

24 “(i) any property for which the family
25 is receiving assistance under this Act;

1 “(ii) any person that is a victim of do-
2 mestic violence; or

3 “(iii) any family that is offering such
4 property for sale.

5 “(2) NET FAMILY ASSETS.—

6 “(A) IN GENERAL.—For purposes of this
7 subsection, the term ‘net family assets’ means,
8 for all members of the household, the net cash
9 value of all assets after deducting reasonable
10 costs that would be incurred in disposing of real
11 property, savings, stocks, bonds, and other forms
12 of capital investment. Such term does not in-
13 clude interests in Indian trust land, equity ac-
14 counts in homeownership programs of the De-
15 partment of Housing and Urban Development,
16 or Family Self Sufficiency accounts.

17 “(B) EXCLUSIONS.—Such term does not in-
18 clude—

19 “(i) the value of personal property, ex-
20 cept for items of personal property of sig-
21 nificant value, as the Secretary may estab-
22 lish or the public housing agency may de-
23 termine;

24 “(ii) the value of any retirement ac-
25 count;

1 “(iii) real property for which the fam-
2 ily does not have the effective legal author-
3 ity necessary to sell such property;

4 “(iv) any amounts recovered in any
5 civil action or settlement based on a claim
6 of malpractice, negligence, or other breach of
7 duty owed to a member of the family and
8 arising out of law, that resulted in a mem-
9 ber of the family being disabled;

10 “(v) the value of any Coverdell edu-
11 cation savings account under section 530 of
12 the Internal Revenue Code of 1986 or any
13 qualified tuition program under section 529
14 of such Code; and

15 “(vi) such other exclusions as the Sec-
16 retary may establish.

17 “(C) TRUST FUNDS.—In cases in which a
18 trust fund has been established and the trust is
19 not revocable by, or under the control of, any
20 member of the family or household, the value of
21 the trust fund shall not be considered an asset of
22 a family if the fund continues to be held in trust.
23 Any income distributed from the trust fund shall
24 be considered income for purposes of section 3(b)
25 and any calculations of annual family income,

1 *except in the case of medical expenses for a*
2 *minor.*

3 “(3) *SELF-CERTIFICATION.*—

4 “(A) *NET FAMILY ASSETS.*—*A public hous-*
5 *ing agency or owner may determine the net as-*
6 *sets of a family, for purposes of this section,*
7 *based on a certification by the family that the*
8 *net assets of such family do not exceed \$50,000.*

9 “(B) *NO CURRENT REAL PROPERTY OWNER-*
10 *SHIP.*—*A public housing agency or owner may*
11 *determine compliance with paragraph (1)(B)*
12 *based on a certification by the family that such*
13 *family does not have any current ownership in-*
14 *terest in any real property at the time the agen-*
15 *cy or owner reviews the family’s income.*

16 “(C) *STANDARDIZED FORMS.*—*The Sec-*
17 *retary may develop standardized forms for the*
18 *certifications referred to in subparagraphs (A)*
19 *and (B).*

20 “(4) *COMPLIANCE FOR PUBLIC HOUSING DWELL-*
21 *ING UNITS.*—*When recertifying family income with*
22 *respect to families residing in public housing dwelling*
23 *units, a public housing agency may, in the discretion*
24 *of the agency and only pursuant to a policy that is*
25 *set forth in the public housing agency plan under sec-*

1 *tion 5A for the agency, choose not to enforce the limi-*
2 *tation under paragraph (1).*

3 “(5) *ELDERLY AND DISABLED FAMILIES.*—When
4 *recertifying the income of an elderly or disabled fam-*
5 *ily residing in a dwelling unit assisted under this*
6 *Act, a public housing agency or owner may choose not*
7 *to enforce the limitation under paragraph (1) or may*
8 *establish exceptions to such limitation based on eligi-*
9 *bility criteria, but only pursuant to a policy that is*
10 *set forth in the public housing agency plan under sec-*
11 *tion 5A for the agency or under a policy adopted by*
12 *the owner. Eligibility criteria for establishing excep-*
13 *tions may provide for separate treatment for elderly*
14 *and disabled families and may be based on different*
15 *factors, such as age, income, the ability of the family*
16 *to find suitable alternative housing, and whether sup-*
17 *portive services are being provided.*

18 “(6) *AUTHORITY TO DELAY EVICTIONS.*—In the
19 *case of a family residing in a dwelling unit assisted*
20 *under this Act who does not comply with the limita-*
21 *tion under paragraph (1), the public housing agency*
22 *or project owner may delay eviction or termination of*
23 *the family based on such noncompliance for a period*
24 *of not more than 6 months.”.*

1 (b) *INCOME.*—*The United States Housing Act of 1937*
2 *is amended—*

3 (1) *in section 3(a)(1) (42 U.S.C. 1437a(a)(1)),*
4 *by striking the first sentence and inserting the fol-*
5 *lowing: “Dwelling units assisted under this Act may*
6 *be rented, and assistance under this Act may be pro-*
7 *vided, whether initially or at time of recertification,*
8 *only to families who are low-income families at the*
9 *time such initial or continued assistance, respectively,*
10 *is provided, except that families residing in dwelling*
11 *units as of the date of the enactment of the Section*
12 *8 Voucher Reform Act of 2009 that, under agreements*
13 *in effect on such date of enactment, may have incomes*
14 *up to 95 percent of local area median income shall*
15 *continue to be eligible for assistance at recertification*
16 *as long as they continue to comply with such income*
17 *restrictions. When recertifying family income with re-*
18 *spect to families residing in public housing dwelling*
19 *units, a public housing agency may, in the discretion*
20 *of the agency and only pursuant to a policy that is*
21 *set forth in the public housing agency plan under sec-*
22 *tion 5A for the agency, choose not to enforce the pro-*
23 *hibition under the preceding sentence. When recerti-*
24 *fying family income with respect to families residing*
25 *in dwelling units for which project-based assistance is*

1 *provided, a project owner may, in the owner’s discre-*
2 *tion and only pursuant to a policy adopted by such*
3 *owner, choose not to enforce such prohibition. In the*
4 *case of a family residing in a dwelling unit assisted*
5 *under this Act who does not meet the requirements*
6 *under the first sentence of this paragraph or the re-*
7 *quirements under section 8(o)(4), the public housing*
8 *agency or project owner may delay eviction or termi-*
9 *nation of the family based on such noncompliance for*
10 *a period of not more than 6 months.”;*

11 *(2) in section 8(o)(4) (42 U.S.C. 1437f(o)(4)), by*
12 *striking the matter preceding subparagraph (A) and*
13 *inserting the following:*

14 *“(4) ELIGIBLE FAMILIES.—Assistance under this*
15 *subsection may be provided, whether initially or at*
16 *each recertification, only pursuant to subsection (t) to*
17 *a family eligible for assistance under such subsection*
18 *or to a family who at the time of such initial or con-*
19 *tinued assistance, respectively, is a low-income family*
20 *that is—”;* *and*

21 *(3) in section 8(c)(4) (42 U.S.C. 1437f(c)(4)), by*
22 *striking “at the time it initially occupied such dwell-*
23 *ing unit” and inserting “according to the restrictions*
24 *under section 3(a)(1)”.*

1 **SEC. 5. TARGETING ASSISTANCE TO LOW-INCOME WORKING**
2 **FAMILIES.**

3 (a) *VOUCHERS*.—Section 16(b)(1) of the United States
4 *Housing Act of 1937* (42 U.S.C. 1437n(b)(1)) is amended—

5 (1) by inserting after “do not exceed” the fol-
6 lowing: “the higher of (A) the poverty line (as such
7 term is defined in section 673 of the Omnibus Budget
8 Reconciliation Act of 1981 (42 U.S.C. 9902), includ-
9 ing any revision required by such section) applicable
10 to a family of the size involved, or (B)”;

11 (2) by inserting before the period at the end the
12 following: “; and except that clause (A) of this sen-
13 tence shall not apply in the case of public housing
14 agencies located in Puerto Rico or any other territory
15 or possession of the United States”.

16 (b) *PUBLIC HOUSING*.—Section 16(a)(2)(A) of the
17 *United States Housing Act of 1937* (42 U.S.C.
18 1437n(a)(2)(A)) is amended—

19 (1) by inserting after “do not exceed” the fol-
20 lowing: “the higher of (i) the poverty line (as such
21 term is defined in section 673 of the Omnibus Budget
22 Reconciliation Act of 1981 (42 U.S.C. 9902), includ-
23 ing any revision required by such section) applicable
24 to a family of the size involved, or (ii)”;

25 (2) by inserting before the period at the end the
26 following: “; and except that clause (i) of this sentence

1 *shall not apply in the case of projects located in Puer-*
 2 *to Rico or any other territory or possession of the*
 3 *United States”.*

4 *(c) PROJECT-BASED SECTION 8 ASSISTANCE.—Section*
 5 *16(c)(3) of the United States Housing Act of 1937 (42*
 6 *U.S.C. 1437n(c)(3)) is amended—*

7 *(1) by inserting after “do not exceed” the fol-*
 8 *lowing: “the higher of (A) the poverty line (as such*
 9 *term is defined in section 673 of the Omnibus Budget*
 10 *Reconciliation Act of 1981 (42 U.S.C. 9902), includ-*
 11 *ing any revision required by such section) applicable*
 12 *to a family of the size involved, or (B)”;* and

13 *(2) by inserting before the period at the end the*
 14 *following: “; and except that clause (A) of this sen-*
 15 *tence shall not apply in the case of projects located in*
 16 *Puerto Rico or any other territory or possession of the*
 17 *United States”.*

18 **SEC. 6. VOUCHER RENEWAL FUNDING.**

19 *(a) IN GENERAL.—Section 8 of the United States*
 20 *Housing Act of 1937 (42 U.S.C. 1437f) is amended by strik-*
 21 *ing subsection (dd) and inserting the following new sub-*
 22 *section:*

23 *“(dd) TENANT-BASED VOUCHERS.—*

24 *“(1) AUTHORIZATION OF APPROPRIATIONS.—*
 25 *There are authorized to be appropriated, for each of*

1 *fiscal years 2010 through 2014, such sums as may be*
2 *necessary for tenant-based assistance under subsection*
3 *(o) for the following purposes:*

4 “(A) *To renew all expiring annual con-*
5 *tributions contracts for tenant-based rental as-*
6 *sistance.*

7 “(B) *To provide tenant-based rental assist-*
8 *ance for—*

9 “(i) *conversion of section 23 projects to*
10 *assistance under this section;*

11 “(ii) *the family unification program*
12 *under subsection (x) of this section;*

13 “(iii) *relocation of witnesses in connec-*
14 *tion with efforts to combat crime in public*
15 *and assisted housing pursuant to a request*
16 *from a law enforcement or prosecution*
17 *agency;*

18 “(iv) *enhanced vouchers authorized*
19 *under subsection (t) of this section;*

20 “(v) *relocation or replacement in con-*
21 *nection with the HOPE VI program under*
22 *section 24;*

23 “(vi) *demolition or disposition of pub-*
24 *lic housing units pursuant to section 18 of*

1 *the United States Housing Act of 1937 (42*
2 *U.S.C. 1437p);*

3 *“(vii) mandatory conversions of public*
4 *housing to vouchers, pursuant to section 33*
5 *of the United States Housing Act of 1937,*
6 *respectively (42 U.S.C. 1437z–5);*

7 *“(viii) voluntary conversions of public*
8 *housing to vouchers, pursuant to section 22*
9 *of the United States Housing Act of 1937,*
10 *respectively (42 U.S.C. 1437t);*

11 *“(ix) vouchers necessary to comply*
12 *with a consent decree or court order;*

13 *“(x) tenant protection vouchers in con-*
14 *nection with dwelling units that cease to re-*
15 *ceive project-based assistance under sub-*
16 *section (b), (c), (d), (e), or (v) of this sec-*
17 *tion;*

18 *“(xi) relocation and replacement*
19 *vouchers in connection with public housing*
20 *units that are demolished or disposed of*
21 *pursuant to eminent domain, pursuant to a*
22 *homeownership program, or in connection*
23 *with a mixed finance development method*
24 *under section 35 or otherwise;*

1 “(xii) vouchers used for the preserva-
2 tion of public housing units not included in
3 the operating formula under section 9(e)(2)
4 of the United States Housing Act of 1937
5 (42 U.S.C. 1437g(e)(2));

6 “(xiii) emergency voucher assistance
7 for the protection of victims of domestic vio-
8 lence, dating violence, sexual assault, or
9 stalking;

10 “(xiv) tenant protection vouchers in
11 connection with the foreclosure or disposi-
12 tion of multifamily housing subject to a
13 mortgage insured and subsidized under the
14 National Housing Act; and

15 “(xv) tenant protection assistance, in-
16 cluding replacement and relocation assist-
17 ance.

18 Subject only to the availability of sufficient
19 amounts provided in appropriation Acts, the
20 Secretary shall provide tenant-based rental as-
21 sistance in connection with all dwelling units
22 that cease to be available as assisted housing as
23 a result of clauses (i), (iv), (v), (vi), (vii), (x),
24 (xi), and (xiv).

1 “(2) *ALLOCATION OF RENEWAL FUNDING AMONG*
2 *PUBLIC HOUSING AGENCIES.—*

3 “(A) *From amounts appropriated for each*
4 *year pursuant to paragraph (1)(A), the Sec-*
5 *retary shall provide renewal funding for each*
6 *public housing agency—*

7 “(i) *based on leasing and cost data*
8 *from the preceding calendar year, as ad-*
9 *justed by an annual adjustment factor to be*
10 *established by the Secretary, which shall be*
11 *established using the smallest geographical*
12 *areas for which data on changes in rental*
13 *costs are annually available;*

14 “(ii) *by making any adjustments nec-*
15 *essary to provide for the first-time renewal*
16 *of vouchers funded under paragraph (1)(B)*
17 *and of any incremental vouchers funded in*
18 *previous years;*

19 “(iii) *by making any adjustments nec-*
20 *essary for full year funding of vouchers*
21 *moved into and out of the jurisdiction of the*
22 *public housing agency in the prior calendar*
23 *year pursuant to portability procedures*
24 *under subsection (r)(2); and*

1 “(iv) by making such other adjust-
2 ments as the Secretary considers appro-
3 priate, including adjustments necessary to
4 address changes in voucher utilization rates
5 and voucher costs related to natural and
6 other major disasters.

7 “(B) LEASING AND COST DATA.—For pur-
8 poses of subparagraph (A)(i), leasing and cost
9 data shall be calculated annually by using the
10 average for the preceding calendar year. Such
11 leasing and cost data shall be adjusted to include
12 vouchers that were set aside under a commitment
13 to provide project-based assistance under sub-
14 section (o)(13) and to exclude amounts funded
15 through advances under paragraph (3). Such
16 leasing and cost data shall not include funds not
17 appropriated for tenant-based assistance under
18 section 8(o), unless the agency’s funding was
19 prorated in the prior year and the agency used
20 other funds to maintain vouchers in use.

21 “(C) OVERLEASING.—For the purpose of de-
22 termining allocations under subsection (A)(i),
23 the leasing rate calculated for the prior calendar
24 year may exceed an agency’s authorized voucher
25 level, except that such calculation shall not uti-

1 *lize a leasing rate in excess of 103 percent of the*
2 *leasing rate in the year preceding such prior*
3 *year (after making appropriate adjustments for*
4 *incremental and new enhanced vouchers) which*
5 *results from the use of accumulated amounts, as*
6 *referred to in the last sentence of paragraph*
7 *(4)(A).*

8 *“(D) MOVING TO WORK; HOUSING INNOVA-*
9 *TION PROGRAM.—Notwithstanding subpara-*
10 *graphs (A) and (B), each public housing agency*
11 *participating in any year in the moving to work*
12 *program or the housing innovation program*
13 *under section 37 of this Act shall be funded pur-*
14 *suant to its agreement under such program and*
15 *shall be subject to any pro rata adjustment made*
16 *under subparagraph (F)(i).*

17 *“(E) UNREIMBURSED PORTABILITY*
18 *COSTS.—The Secretary may reimburse public*
19 *housing agencies for increased costs related to*
20 *portability incurred during the prior year that*
21 *were not reimbursed pursuant to paragraph*
22 *(4)(B)(i).*

23 *“(F) PRO RATA ALLOCATION.—*

24 *“(i) INSUFFICIENT FUNDS.—To the ex-*
25 *tent that amounts made available for a fis-*

1 *cal year are not sufficient to provide each*
2 *public housing agency with the full alloca-*
3 *tion for the agency determined pursuant to*
4 *subparagraphs (A) and (D), the Secretary*
5 *shall reduce such allocation for each agency*
6 *on a pro rata basis, except that renewal*
7 *funding of enhanced vouchers under section*
8 *8(t) shall not be subject to such proration.*

9 “(ii) *EXCESS FUNDS.—To the extent*
10 *that amounts made available for a fiscal*
11 *year exceed the amount necessary to provide*
12 *each housing agency with the full allocation*
13 *for the agency determined pursuant to sub-*
14 *paragraphs (A) and (D), such excess*
15 *amounts shall be used for the purposes spec-*
16 *ified in paragraph (4)(B).*

17 “(G) *PROMPT FUNDING ALLOCATION.—The*
18 *Secretary shall allocate all funds under this sub-*
19 *section for each year before the latter of (i) Feb-*
20 *ruary 15, or (ii) the expiration of the 45-day pe-*
21 *riod beginning upon the enactment of the appro-*
22 *priations Act funding such renewals.*

23 “(3) *ADVANCES.—*

24 “(A) *AUTHORITY.—During the last 3*
25 *months of each calendar year, the Secretary shall*

1 *provide amounts out of any appropriations*
2 *made pursuant to paragraph (1) for the fiscal*
3 *year beginning on October 1 of that calendar*
4 *year to any public housing agency, at the request*
5 *of the agency, in an amount up to two percent*
6 *of the allocation for the agency for such calendar*
7 *year, subject to subparagraph (C).*

8 “(B) *USE.—Amounts advanced under sub-*
9 *paragraph (A) may be used to pay for addi-*
10 *tional voucher costs, including costs related to*
11 *temporary overleasing.*

12 “(C) *USE OF PRIOR YEAR AMOUNTS.—Dur-*
13 *ing the last 3 months of a calendar year, if*
14 *amounts previously provided to a public housing*
15 *agency for tenant-based assistance for such year*
16 *or for previous years remain unobligated and*
17 *available to the agency—*

18 “(i) *the agency shall exhaust such*
19 *amounts to cover any additional voucher*
20 *costs under subparagraph (B) before*
21 *amounts advanced under subparagraph (A)*
22 *may be so used; and*

23 “(ii) *the amount that may be advanced*
24 *under subparagraph (A) to the agency shall*
25 *be reduced by an amount equal to the total*

1 of such previously provided and unobligated
2 amounts.

3 “(D) *REPAYMENT.*—Amounts advanced
4 under subparagraph (A) in a calendar year shall
5 be repaid to the Secretary in the subsequent cal-
6 endar year by offsetting the amounts made avail-
7 able for such agency for such subsequent calendar
8 year pursuant to allocation under paragraph (2)
9 by an amount equal to the amount so advanced
10 to the agency.

11 “(4) *OFFSET.*—

12 “(A) *IN GENERAL.*—The Secretary shall off-
13 set, from amounts provided under the annual
14 contributions contract for a public housing agen-
15 cy for a calendar year, all accumulated amounts
16 allocated under paragraph (2) and from previous
17 years that are unused by the agency at the end
18 of each calendar year, except for an amount not
19 less than 6 percent of such amount allocated to
20 the agency pursuant to paragraph (2) for the
21 preceding calendar year. Notwithstanding any
22 other provision of law, each public housing agen-
23 cy may retain all amounts not offset under this
24 subparagraph, and may use such amounts for all
25 authorized purposes.

1 “(B) *REALLOCATION*.—Not later than the
2 *latter of April 1 of each calendar year or 75*
3 *days after the enactment of an appropriations*
4 *Act providing funding for voucher renewal costs,*
5 *the Secretary shall, from amounts available pur-*
6 *suant to paragraph (2)(E) and from any other*
7 *available amounts appropriated for such pur-*
8 *pose—*

9 “(i) *set aside and subsequently make*
10 *available such amounts as the Secretary*
11 *considers likely to be needed, when combined*
12 *with funds from a central fund or any other*
13 *source of funds appropriated or made avail-*
14 *able for such purpose, to reimburse public*
15 *housing agencies for increased costs related*
16 *to portability and family self-sufficiency ac-*
17 *tivities pursuant to section 23(h) during*
18 *such year; and*

19 “(ii) *reallocate all remaining amounts*
20 *among public housing agencies, with pri-*
21 *ority given based on the extent to which an*
22 *agency has utilized the amount allocated*
23 *under paragraph (2) for the agency to serve*
24 *eligible families and the relative need for*

1 *additional voucher assistance for use only to*
2 *increase voucher leasing rates.”.*

3 (b) *PORTABILITY.—The Secretary of Housing and*
4 *Urban Development shall, not later than the expiration of*
5 *the 6-month period beginning on the date of the enactment*
6 *of this Act, issue a proposed rule for comment to modify*
7 *the regulations governing the responsibilities of public hous-*
8 *ing agencies in cases in which families assisted with tenant-*
9 *based assistance under section 8 of the United States Hous-*
10 *ing Act of 1937 exercise their right to move to a different*
11 *jurisdiction under the Secretary’s regulations regarding*
12 *portability procedures (24 C.F.R. 982.355), to eliminate, or*
13 *minimize to the greatest extent feasible consistent with*
14 *available funding, billing between agencies and administra-*
15 *tive barriers to families’ choices of where to reside, without*
16 *undermining the ability of public housing agencies to serve*
17 *their waiting lists. The Secretary shall finalize regulations*
18 *modifying such portability procedures in accordance with*
19 *this subsection not later than the expiration of the 12-month*
20 *period beginning upon the date of the enactment of this Act.*

21 (c) *VOUCHERS FOR PERSONS WITH DISABILITIES AND*
22 *HOMELESS VETERANS.—The Secretary of Housing and*
23 *Urban Development shall develop and issue, to public hous-*
24 *ing agencies that have received voucher assistance under*
25 *section 8(o) for non-elderly disabled families, or under sec-*

1 *tion 8(o)(19) for homeless veterans, pursuant to appropria-*
 2 *tions Acts for fiscal year 1997 and fiscal years thereafter,*
 3 *guidance to ensure that, to the maximum extent practicable,*
 4 *such vouchers continue to be provided upon turnover to*
 5 *qualified non-elderly disabled families or homeless veterans,*
 6 *respectively.*

7 **SEC. 7. ADMINISTRATIVE FEES.**

8 *(a) IN GENERAL.—Section 8(q) of the United States*
 9 *Housing Act of 1937 (42 U.S.C. 1437f(q)) is amended—*

10 *(1) in paragraph (1)—*

11 *(A) by striking subparagraphs (B) and (C)*
 12 *and inserting the following new subparagraphs:*

13 *“(B) CALCULATION.—The fee under this*
 14 *subsection shall—*

15 *“(i) be payable to each public housing*
 16 *agency for each month for which a dwelling*
 17 *unit is covered by an assistance contract;*

18 *“(ii) be based on a per-unit fee, which*
 19 *shall be based on the per-unit fee payable to*
 20 *the agency in fiscal year 2003 and updated*
 21 *for each subsequent year as specified in sub-*
 22 *section (iv), or on such formula which the*
 23 *Secretary may, by regulation, establish*
 24 *using a per-unit fee structure which shall*
 25 *provide for the payment of the full cost of*

1 *administering vouchers, and which may in-*
2 *clude performance incentives consistent with*
3 *subsection (o)(21);*

4 *“(iii) include an amount for the cost of*
5 *issuing a voucher to new participants;*

6 *“(iv) be updated each year using an*
7 *index of changes in wage and benefit data*
8 *or other objectively measurable data that re-*
9 *fect the costs of administering the program*
10 *for such assistance, as determined by the*
11 *Secretary; and*

12 *“(v) include an amount for the cost of*
13 *family self-sufficiency coordinators, as pro-*
14 *vided in section 23(h)(1).*

15 *“(C) PUBLICATION.—The Secretary shall*
16 *cause to be published in the Federal Register the*
17 *fee rate for each geographic area.”; and*

18 *(B) by striking subparagraph (E) and in-*
19 *serting the following new subparagraph;*

20 *“(E) FEE FOR AGENCY-OWNED UNITS.—The*
21 *Secretary shall establish a fee for dwelling units*
22 *owned by a public housing agency that reflects*
23 *reasonable costs of administration, which shall*
24 *take into consideration the third-party inspec-*
25 *tion and rent determination expenses incurred*

1 *in compliance with the requirements of sub-*
2 *section (o)(11).”; and*

3 *(2) in paragraph (4), by striking “1999” and in-*
4 *serting “2010”.*

5 ***(b) ADMINISTRATIVE FEES FOR FAMILY SELF-SUFFI-***
6 ***CIENCY PROGRAM COSTS.***—*Subsection (h) of section 23 of*
7 *the United States Housing Act of 1937 (42 U.S.C.*
8 *1437u(h)) is amended by striking paragraph (1) and insert-*
9 *ing the following new paragraph:*

10 ***“(1) SECTION 8 FEES.—***

11 ***“(A) IN GENERAL.***—*The Secretary shall es-*
12 *tablish a fee under section 8(q) for the costs in-*
13 *curring in administering the self-sufficiency pro-*
14 *gram under this section to assist families receiv-*
15 *ing voucher assistance through section 8(o).*

16 ***“(B) ELIGIBILITY FOR FEE.***—*The fee shall*
17 *provide funding for family self-sufficiency coor-*
18 *dinators as follows:*

19 ***“(i) BASE FEE.***—*A public housing*
20 *agency serving 25 or more participants in*
21 *the family self-sufficiency program under*
22 *this section shall receive a fee equal to the*
23 *costs of employing one full-time family self-*
24 *sufficiency coordinator. An agency serving*

1 fewer than 25 such participants shall re-
2 ceive a prorated fee.

3 “(ii) *ADDITIONAL FEE.*—An agency
4 that meets minimum performance standards
5 shall receive an additional fee sufficient to
6 cover the costs of employing a second family
7 self-sufficiency coordinator if the agency has
8 75 or more participating families, and a
9 third such coordinator if it has 125 or more
10 participating families.

11 “(iii) *PREVIOUSLY FUNDED AGEN-*
12 *CIES.*—An agency that received funding
13 from the Department of Housing and
14 Urban Development for more than three
15 such coordinators in any of fiscal years
16 1998 through 2009 shall receive funding for
17 the highest number of coordinators funded
18 in a single fiscal year during that period,
19 provided they meet applicable size and per-
20 formance standards.

21 “(iv) *INITIAL YEAR.*—For the first year
22 in which a public housing agency exercises
23 its right to develop an family self-suffi-
24 ciency program for its residents, it shall be
25 entitled to funding to cover the costs of up

1 to one family self-sufficiency coordinator,
2 based on the size specified in its action plan
3 for such program.

4 “(v) *STATE AND REGIONAL AGEN-*
5 *CIES.—For purposes of calculating the fam-*
6 *ily self-sufficiency portion of the adminis-*
7 *trative fee under this subparagraph, each*
8 *administratively distinct part of a State or*
9 *regional public housing agency shall be*
10 *treated as a separate agency.*

11 “(vi) *DETERMINATION OF NUMBER OF*
12 *COORDINATORS.—In determining whether a*
13 *public housing agency meets a specific*
14 *threshold for funding pursuant to this para-*
15 *graph, the number of participants being*
16 *served by the agency in its family self-suffi-*
17 *ciency program shall be considered to be the*
18 *average number of families enrolled in such*
19 *agency’s program during the course of the*
20 *most recent fiscal year for which the De-*
21 *partment of Housing and Urban Develop-*
22 *ment has data.*

23 “(C) *PRORATION.—If insufficient funds are*
24 *available in any fiscal year to fund all of the co-*
25 *ordinators authorized under this section, the first*

1 *priority shall be given to funding one coordi-*
2 *nator at each agency with an existing family*
3 *self-sufficiency program. The remaining funds*
4 *shall be prorated based on the number of remain-*
5 *ing coordinators to which each agency is entitled*
6 *under this subparagraph.*

7 “(D) *RECAPTURE.*—*Any fees allocated*
8 *under this subparagraph by the Secretary in a*
9 *fiscal year that have not been spent by the end*
10 *of the subsequent fiscal year shall be recaptured*
11 *by the Secretary and shall be available for pro-*
12 *viding additional fees pursuant to subparagraph*
13 *(B)(ii).*

14 “(E) *PERFORMANCE STANDARDS.*—*Within*
15 *six months after the date of the enactment of this*
16 *paragraph, the Secretary shall publish a pro-*
17 *posed rule specifying the performance standards*
18 *applicable to funding under clauses (ii) and (iii)*
19 *of subparagraph (B). Such standards shall in-*
20 *clude requirements applicable to the leveraging of*
21 *in-kind services and other resources to support*
22 *the goals of the family self-sufficiency program.*

23 “(F) *DATA COLLECTION.*—*Public housing*
24 *agencies receiving funding under this paragraph*
25 *shall collect and report to the Secretary, in such*

1 *manner as the Secretary shall require, informa-*
2 *tion on the performance of their family self-suffi-*
3 *ciency programs.*

4 “(G) *EVALUATION.*—*The Secretary shall*
5 *conduct a formal and scientific evaluation of the*
6 *effectiveness of well-run family self-sufficiency*
7 *programs, comparing outcomes of families par-*
8 *ticipating in such programs with families who*
9 *are not, using random assignment of partici-*
10 *pants to the extent practicable. Not later than*
11 *the expiration of the 4-year period beginning*
12 *upon the enactment of this paragraph, the Sec-*
13 *retary shall submit an interim evaluation report*
14 *to the Congress. Not later than the expiration of*
15 *the 8-year period beginning upon such enact-*
16 *ment, the Secretary shall submit a final evalua-*
17 *tion report to the Congress. There is authorized*
18 *to be appropriated \$10,000,000 to carry out the*
19 *evaluation under this subparagraph.*

20 “(H) *INCENTIVES FOR INNOVATION AND*
21 *HIGH PERFORMANCE.*—*The Secretary may re-*
22 *serve up to 10 percent of the amounts made*
23 *available for administrative fees under this*
24 *paragraph to provide support to or reward fam-*
25 *ily self-sufficiency programs that are particu-*

1 *larly innovative or highly successful in achieving*
2 *the goals of the program.”.*

3 (c) *REPEAL.*—*Section 202 of the Departments of Vet-*
4 *erans Affairs and Housing and Urban Development, and*
5 *Independent Agencies Appropriations Act, 1997 (42 U.S.C.*
6 *1437f note; Public Law 104–204; 110 Stat. 2893) is hereby*
7 *repealed.*

8 **SEC. 8. HOMEOWNERSHIP.**

9 (a) *SECTION 8 HOMEOWNERSHIP DOWNPAYMENT PRO-*
10 *GRAM.*—*Section 8(y)(7) of the United States Housing Act*
11 *of 1937 (42 U.S.C. 1437f(y)(7)) is amended by striking sub-*
12 *paragraphs (A) and (B) and inserting the following new*
13 *subparagraphs:*

14 “(A) *IN GENERAL.*—*Subject to the provi-*
15 *sions of this paragraph, in the case of a family*
16 *on whose behalf rental assistance under section*
17 *8(o) has been provided for a period of not less*
18 *than 12 months prior to the date of receipt of*
19 *downpayment assistance under this paragraph,*
20 *a public housing agency may, in lieu of pro-*
21 *viding monthly assistance payments under this*
22 *subsection on behalf of a family eligible for such*
23 *assistance and at the discretion of the agency,*
24 *provide a downpayment assistance grant in ac-*
25 *cordance with subparagraph (B).*

1 “(B) *GRANT REQUIREMENTS.*—A downpay-
2 *ment assistance grant under this paragraph—*

3 “(i) *shall be used by the family only as*
4 *a contribution toward the downpayment*
5 *and reasonable and customary closing costs*
6 *required in connection with the purchase of*
7 *a home;*

8 “(ii) *shall be in the form of a single*
9 *one-time grant; and*

10 “(iii) *may not exceed \$10,000.*

11 “(C) *NO EFFECT ON OBTAINING OUTSIDE*
12 *SOURCES FOR DOWNPAYMENT ASSISTANCE.*—*This*
13 *Act may not be construed to prohibit a public*
14 *housing agency from providing downpayment*
15 *assistance to families from sources other than a*
16 *grant provided under this Act, or as determined*
17 *by the public housing agency.*

18 “(D) *COUNSELING AND SELF-SUFFICIENCY*
19 *PROGRAMS.*—*A public housing agency may re-*
20 *quire prepurchase housing counseling or partici-*
21 *ipation in a self-sufficiency program as a condi-*
22 *tion of a family receiving downpayment assist-*
23 *ance under this paragraph.”.*

1 **(b) USE OF VOUCHERS FOR MANUFACTURED HOUS-**
2 *ING.—Section 8(o)(12) of the United States Housing Act*
3 *of 1937 (42 U.S.C. 1437f(o)(12)) is amended—*

4 *(1) in subparagraph (A), by striking the period*
5 *at the end of the first sentence and all that follows*
6 *through “of” in the second sentence and inserting*
7 *“and rents”; and*

8 *(2) in subparagraph (B)—*

9 *(A) in clause (i), by striking “the rent” and*
10 *all that follows and inserting the following: “rent*
11 *shall mean the sum of the monthly payments*
12 *made by a family assisted under this paragraph*
13 *to amortize the cost of purchasing the manufac-*
14 *tured home, including any required insurance*
15 *and property taxes, the monthly amount allowed*
16 *for tenant-paid utilities, and the monthly rent*
17 *charged for the real property on which the man-*
18 *ufactured home is located, including monthly*
19 *management and maintenance charges.”;*

20 *(B) by striking clause (ii); and*

21 *(C) in clause (iii)—*

22 *(i) by inserting after the period at the*
23 *end the following: “If the amount of the*
24 *monthly assistance payment for a family*
25 *exceeds the monthly rent charged for the*

1 *real property on which the manufactured*
 2 *home is located, including monthly manage-*
 3 *ment and maintenance charges, a public*
 4 *housing agency may pay the remainder to*
 5 *the family, lender or utility company, or*
 6 *may choose to make a single payment to the*
 7 *family for the entire monthly assistance*
 8 *amount.”; and*

9 *(ii) by redesignating such clause as*
 10 *clause (ii).*

11 **SEC. 9. PHA REPORTING OF RENT PAYMENTS TO CREDIT**
 12 **REPORTING AGENCIES.**

13 *Section 3 of the United States Housing Act of 1937*
 14 *(42 U.S.C. 1437a), as amended by the preceding provisions*
 15 *of this Act, is further amended by adding at the end the*
 16 *following new subsection:*

17 “(e) **PHA REPORTING OF RENT PAYMENTS TO CREDIT**
 18 **REPORTING AGENCIES.**—

19 “(1) **AUTHORITY.**—*To the extent that an indi-*
 20 *vidual receiving tenant-based housing choice vouchers*
 21 *under section 8 by a public housing agency agrees in*
 22 *writing to reporting under this subsection, the public*
 23 *housing agency may submit to consumer reporting*
 24 *agencies described in section 603(p) of the Fair Credit*
 25 *Reporting Act (15 U.S.C. 1681a) information regard-*

1 *ing the past rent payment history of the individual*
2 *with respect to the dwelling unit for which such as-*
3 *sistance is provided.*

4 *“(2) FORMAT.—The Secretary, after consultation*
5 *with consumer reporting agencies referred in para-*
6 *graph (1), shall establish a system and format to be*
7 *used by public housing agencies for reporting of infor-*
8 *mation under such paragraph that provides such in-*
9 *formation in a format and manner that is similar to*
10 *other credit information submitted to such consumer*
11 *reporting agencies and is usable by such agencies.”.*

12 **SEC. 10. PERFORMANCE ASSESSMENTS.**

13 *Section 8(o) of the United States Housing Act of 1937*
14 *(42 U.S.C. 1437f(o)) is amended by adding at the end the*
15 *following new paragraph:*

16 *“(21) PERFORMANCE ASSESSMENTS.—*

17 *“(A) ESTABLISHMENT.—The Secretary*
18 *shall, by regulation, establish standards and pro-*
19 *cedures for assessing the performance of public*
20 *housing agencies in carrying out the programs*
21 *for tenant-based rental assistance under this sub-*
22 *section and for homeownership assistance under*
23 *subsection (y).*

24 *“(B) CONTENTS.—The standards and proce-*
25 *dures under this paragraph shall provide for as-*

1 *assessment of the performance of public housing*
2 *agencies in the following areas:*

3 “(i) *Extent to which dwelling units*
4 *comply with housing quality standards, in-*
5 *cluding compliance with inspection require-*
6 *ments.*

7 “(ii) *Extent of utilization of assistance*
8 *amounts provided to the agency and of au-*
9 *thorized vouchers, using appropriate adjust-*
10 *ments for vouchers set aside to meet com-*
11 *mitments under paragraph (13).*

12 “(iii) *Timeliness and accuracy of re-*
13 *porting by the agency to the Secretary.*

14 “(iv) *Effectiveness in carrying out*
15 *policies that result in deconcentration of*
16 *poverty and reduction of racial segregation.*

17 “(v) *Reasonableness of rent burdens,*
18 *consistent with public housing agency re-*
19 *sponsibilities under section 8(o)(1)(E)(iii).*

20 “(vi) *Accurate calculations of rent,*
21 *utility allowances, and subsidy payments.*

22 “(vii) *Effectiveness in carrying out*
23 *family self-sufficiency activities.*

24 “(viii) *Timeliness of actions related to*
25 *landlord participation.*

1 “(ix) *Compliance with targeting re-*
2 *quirements under section 16(b).*”

3 “(x) *Such other areas as the Secretary*
4 *considers appropriate, which may only be*
5 *established by regulation.*”

6 “(C) *BIENNIAL ASSESSMENT.—Not later*
7 *than 2 years after the date of enactment of this*
8 *paragraph, and at least every 2 years thereafter,*
9 *the Secretary, using the standards and proce-*
10 *dures established under this paragraph, shall—*

11 “(i) *conduct an assessment of the per-*
12 *formance of each public housing agency car-*
13 *rying out a program referred to in subpara-*
14 *graph (A);*

15 “(ii) *make such assessment available to*
16 *the public housing agency and to the public*
17 *via the website of the Department of Hous-*
18 *ing and Urban Development; and*

19 “(iii) *submit a report to Congress re-*
20 *garding the results of each such assessment.*”

21 “(D) *APPLICABILITY.—When implemented,*
22 *the performance assessment standards and proce-*
23 *dures under this paragraph shall supercede the*
24 *Section 8 Management Assessment Program of*
25 *the Secretary then in effect.”.*

1 **SEC. 11. PHA PROJECT-BASED ASSISTANCE.**

2 *Section 8(o)(13) of the United States Housing Act of*
3 *1937 (42 U.S.C. 1437f(o)(13)) is amended—*

4 *(1) by striking subparagraph (B) and inserting*
5 *the following new subparagraph:*

6 *“(B) PERCENTAGE LIMITATION.—*

7 *“(i) IN GENERAL.—Subject to clause*
8 *(ii), not more than 25 percent of the fund-*
9 *ing available for tenant-based assistance*
10 *under this section that is administered by*
11 *the agency may be attached to structures*
12 *pursuant to this paragraph.*

13 *“(ii) EXCEPTION.—An agency may at-*
14 *tach up to an additional 5 percent of the*
15 *funding available for tenant-based assist-*
16 *ance under this section to structures pursu-*
17 *ant to this paragraph for dwelling units*
18 *that house individuals and families that*
19 *meet the definition of homeless under section*
20 *103 of the McKinney-Vento Homeless Assist-*
21 *ance Act (42 U.S.C. 11302), that provide*
22 *supportive housing to persons with disabil-*
23 *ities, or that are located in areas where*
24 *vouchers under this subsection are difficult*
25 *to use, as specified in subparagraph*
26 *(D)(i)(II). The Secretary may, by regula-*

1 tion, establish additional categories for the
2 exception under this clause.”;

3 (2) by striking subparagraph (D) and inserting
4 the following new subparagraph:

5 “(D) *INCOME MIXING REQUIREMENT.*—

6 “(i) *IN GENERAL.*—*Except as provided*
7 *in clause (ii), not more than the greater of*
8 *25 dwelling units or 25 percent of the dwell-*
9 *ing units in any project may be assisted*
10 *under a housing assistance payment con-*
11 *tract for project-based assistance pursuant*
12 *to this paragraph. For purposes of this sub-*
13 *paragraph, the term ‘project’ means a single*
14 *building, multiple contiguous buildings, or*
15 *multiple buildings on contiguous parcels of*
16 *land.*

17 “(ii) *EXCEPTIONS.*—

18 “(I) *CERTAIN HOUSING.*—*The*
19 *limitation under clause (i) shall not*
20 *apply in the case of assistance under a*
21 *contract for housing consisting of sin-*
22 *gle family properties, or for dwelling*
23 *units that are exclusively made avail-*
24 *able for households comprised of elderly*
25 *families, disabled families, and fami-*

1 *lies receiving supportive services for*
2 *special needs populations, such as in-*
3 *dividuals who were formerly homeless.*
4 *For purposes of the preceding sentence,*
5 *the term ‘single family properties’*
6 *means buildings with no more than*
7 *four dwelling units.*

8 “(II) CERTAIN AREAS.—

9 “(aa) *With respect to areas*
10 *in which fewer than 75 percent of*
11 *families issued vouchers become*
12 *participants in the program, the*
13 *public housing agency has estab-*
14 *lished the payment standard at*
15 *110 percent of the fair market*
16 *rent for all census tracts in the*
17 *area for the previous six months,*
18 *the public housing agency has re-*
19 *quested a higher payment stand-*
20 *ard, and the public housing agen-*
21 *cy grants an automatic extension*
22 *of 90 days (or longer) to families*
23 *with vouchers who are attempting*
24 *to find housing, clause (i) shall be*

1 applied by substituting ‘40 per-
2 cent’ for ‘25 percent’; and

3 “(bb) With respect to census
4 tracts with a poverty rate of 20
5 percent or less, clause (i) shall be
6 applied by substituting ‘50 per-
7 cent’ for ‘25 percent’ and the Sec-
8 retary may, by regulation, estab-
9 lish additional conditions.”;

10 (3) in subparagraph (J)—

11 (A) by striking the fifth and sixth sentences
12 and inserting the following: “A public housing
13 agency may establish and utilize procedures for
14 maintaining site-based waiting lists under which
15 applicants may apply directly at, or otherwise
16 designate to the public housing agency, the
17 project or projects in which they seek to reside,
18 except that all eligible applicants on the waiting
19 list of an agency for assistance under this sub-
20 section shall be permitted to place their names
21 on such separate list. All such procedures shall
22 comply with title VI of the Civil Rights Act of
23 1964, the Fair Housing Act, and other applica-
24 ble civil rights laws. The owner or manager of a
25 structure assisted under this paragraph shall not

1 *admit any family to a dwelling unit assisted*
2 *under a contract pursuant to this paragraph*
3 *other than a family referred by the public hous-*
4 *ing agency from its waiting list, or a family on*
5 *a site-based waiting list that complies with the*
6 *requirements of this subparagraph. A public*
7 *housing agency shall disclose to each applicant*
8 *all other options in the selection of a project in*
9 *which to reside that are provided by the public*
10 *housing agency and are available to the appli-*
11 *cant.”; and*

12 *(B) by inserting after the third sentence the*
13 *following new sentence: “Any family who resides*
14 *in a dwelling unit proposed to be assisted under*
15 *this paragraph, or in a unit to be replaced by*
16 *a proposed unit to be assisted under this para-*
17 *graph shall be given an absolute preference for*
18 *selection for placement in the proposed unit, if*
19 *the family is otherwise eligible for assistance*
20 *under this subsection.”; and*

21 *(4) by adding at the end the following new sub-*
22 *paragraphs:*

23 “(N) *STRUCTURE OWNED BY AGENCY.—Not-*
24 *withstanding any other provision of law, as part*
25 *of an initiative to improve, develop, or replace a*

1 *public housing site, a public housing agency may*
2 *attach assistance to an existing, newly con-*
3 *structed, or rehabilitated structure in which the*
4 *agency has an ownership interest or which the*
5 *agency has control of without following a com-*
6 *petitive process, but only if the agency includes*
7 *such initiative in its public housing agency plan*
8 *approved under section 5A and the units that re-*
9 *ceive such assistance will not receive assistance*
10 *under section 9. The preceding sentence may not*
11 *be construed to limit the ability of a public hous-*
12 *ing agency to attach assistance to structures*
13 *under other applicable law.*

14 “(O) *LEASES AND TENANCY.*—*Assistance*
15 *provided under this paragraph shall be subject to*
16 *the provisions of paragraph (7), except that sub-*
17 *paragraph (A) of such paragraph shall not*
18 *apply. Notwithstanding any other provision of*
19 *law, for the term of the contract under this para-*
20 *graph, the owner may terminate tenancy only*
21 *for serious or repeated violations of the terms*
22 *and conditions of the lease or for violation of ap-*
23 *plicable law.*

24 “(P) *ALLOWABLE TRANSFERS.*—*A public*
25 *housing agency may, subject to the agreement of*

1 port to the Congress annually on the per-
2 centage of families assisted under this sub-
3 section, occupying dwelling units of any
4 size, that pay more than 30 percent of their
5 adjusted incomes for rent and such percent-
6 age that pay more than 40 percent of their
7 adjusted incomes for rent. Using informa-
8 tion regularly reported by public housing
9 agencies, the Secretary shall provide public
10 housing agencies, on an annual basis, a re-
11 port with the information described in the
12 first sentence of this clause, and may re-
13 quire a public housing agency to modify a
14 payment standard that results in a signifi-
15 cant percentage of families assisted under
16 this subsection, occupying dwelling units of
17 any size, paying more than 30 percent of
18 their adjusted incomes for rent. In imple-
19 menting the requirements of this clause, the
20 Secretary shall separate out calculations
21 and consideration of families whose rent
22 contributions are calculated under section
23 3(a)(3) and clauses (ii) and (iii) of para-
24 graph (2)(A) of this subsection.

1 “(ii) *CONCENTRATION OF POVERTY.*—
2 *The Secretary shall submit a report to the*
3 *Congress annually on the degree to which*
4 *families assisted under this subsection in*
5 *each metropolitan area are clustered in*
6 *lower rent, higher poverty areas, which shall*
7 *include reporting of data by race and eth-*
8 *nicity, and how, and the extent to which,*
9 *greater geographic distribution of such as-*
10 *sisted families could be achieved, including*
11 *by increasing payment standards for par-*
12 *ticular communities within such metropoli-*
13 *tan areas.*

14 “(iii) *PUBLIC HOUSING AGENCY RE-*
15 *SPONSIBILITIES.*—*Each public housing*
16 *agency shall make publicly available the in-*
17 *formation on rent burdens provided by the*
18 *Secretary pursuant to clause (i), and, for*
19 *agencies located in metropolitan areas, the*
20 *information on concentration provided by*
21 *the Secretary pursuant to clause (ii). If a*
22 *public housing agency has a high degree of*
23 *concentration of poverty, as determined*
24 *under a standard to be developed by the*
25 *Secretary in accordance with clause (ii), or*

1 *if the percentage of families paying more*
2 *than 40 percent of their adjusted net income*
3 *exceeds a percentage level, to be established*
4 *by the Secretary, the public housing agency*
5 *shall adjust the payment standard to elimi-*
6 *nate excessive rent burdens within a reason-*
7 *able time period or explain its reasons for*
8 *not making such adjustment. The Secretary*
9 *may not deny the request of a public hous-*
10 *ing agency to set a payment standard up to*
11 *120 percent of the fair market rent to elimi-*
12 *nate excessive rent burdens in accordance*
13 *with the preceding sentence, except on the*
14 *basis that an agency has not demonstrated*
15 *that its request meets these criteria. If a re-*
16 *quest of a public housing agency has not*
17 *been denied or approved with 45 days after*
18 *the request is made, the request shall be con-*
19 *sidered to have been approved.”.*

20 *(b) PUBLIC HOUSING AGENCY PLAN.—Section*
21 *5A(d)(4) of the United States Housing Act of 1937 (42*
22 *U.S.C. 1437c–1(d)(4)) is amended by inserting before the*
23 *period at the end the following: “, including the report with*
24 *respect to the agency furnished by the Secretary pursuant*
25 *to section 8(o)(1)(E) concerning rent burdens and, if appli-*

1 cable, geographic concentration of voucher holders, any
2 changes in rent or other policies the public housing agency
3 is making to address excessive rent burdens or concentra-
4 tion, and if the public housing agency is not adjusting its
5 payment standard, its reasons for not doing so”.

6 (c) *RENT BURDENS FOR PERSONS WITH DISABIL-*
7 *ITIES.*—Subparagraph (D) of section 8(o)(1) is amended by
8 inserting before the period at the end the following: “, except
9 that a public housing agency may establish a payment
10 standard of not more than 120 percent of the fair market
11 rent where necessary as a reasonable accommodation for a
12 person with a disability, without approval of the Secretary.
13 A public housing agency may seek approval of the Secretary
14 to use a payment standard greater than 120 percent of the
15 fair market rent as a reasonable accommodation for a per-
16 son with a disability. In connection with the use of any
17 increased payment standard established or approved pursu-
18 ant to either of the preceding two sentences as a reasonable
19 accommodation for a person with a disability, the Secretary
20 may not establish additional requirements regarding the
21 amount of adjusted income paid by such person for rent”.

22 **SEC. 13. ESTABLISHMENT OF FAIR MARKET RENT.**

23 (a) *IN GENERAL.*—Paragraph (1) of section 8(c) of the
24 United States Housing Act of 1937 (42 U.S.C. 1437f(c)(1))
25 is amended—

1 (1) *by inserting “(A)” after the paragraph des-*
2 *ignation;*

3 (2) *by striking the seventh, eighth, and ninth*
4 *sentences; and*

5 (3) *by adding at the end the following:*

6 “(B)(i) *The Secretary shall define market areas for*
7 *purposes of this paragraph in areas sufficiently distinct as*
8 *is necessary—*

9 “(I) *to establish fair market rentals that accu-*
10 *rately reflect typical rental costs of units suitable for*
11 *occupancy by persons assisted under this section in*
12 *communities in metropolitan and non-metropolitan*
13 *areas (including low poverty areas); and*

14 “(II) *to avoid concentration of voucher holders;*
15 *while taking into consideration the factors specified in*
16 *clause (ii).*

17 “(ii) *The factors specified in this clause are—*

18 “(I) *the efficient administration of the program*
19 *by public housing agencies and the administrative*
20 *costs of the Secretary of establishing additional areas;*

21 “(II) *the availability of data for a sufficient*
22 *number of dwelling units to establish accurate fair*
23 *market rentals; and*

1 “(III) the ability of public housing agencies to
2 adjust the payment standard to more accurately re-
3 flect typical rental costs.

4 “(iii) The Secretary shall establish procedures to per-
5 mit a public housing agency to request the establishment
6 of a separate market areas for either all or contiguous parts
7 of the areas under the jurisdiction of such agency. The Sec-
8 retary shall consider and approve any such request using
9 the criteria established in clause (i) and the considerations
10 under clause (ii).

11 “(iv) The Secretary shall not reduce the fair market
12 rental in a market area as a result of a change in the per-
13 centile of the distribution of market rents used to establish
14 the fair market rental.

15 “(v) The Secretary shall phase in large increases or
16 decreases in the fair market rentals that result from changes
17 in market area boundaries or other methodological changes
18 that do not reflect actual year-to-year trends in rents by
19 limiting such increases or decreases to not more than 5 per-
20 cent each year.”.

21 (b) PAYMENT STANDARD.—Subparagraph (B) of sec-
22 tion 8(o)(1) of the United States Housing Act of 1937 (42
23 U.S.C. 1437f(o)(1)(B)) is amended by inserting before the
24 period at the end the following: “, except that no public
25 housing agency shall be required as a result of a reduction

1 *in the fair market rental to reduce the payment standard*
 2 *applied to a family continuing to reside in a unit for which*
 3 *the family was receiving assistance under this section at*
 4 *the time the fair market rental was reduced”.*

5 **SEC. 14. SCREENING OF APPLICANTS.**

6 (a) *IN GENERAL.*—Subparagraph (B) of section
 7 8(o)(6) of the United States Housing Act of 1937
 8 (1437f(o)(6)(B)) is amended—

9 (1) by striking “(B) *SELECTION OF TENANTS.*—
 10 *Each*” and inserting the following:

11 “(B) *SELECTION OF TENANTS.*—

12 “(i) *FUNCTION OF OWNER.*—*Each*”;

13 (2) in the first sentence, by striking “unit)” and
 14 inserting “unit”;

15 (3) by striking “In addition” and inserting the
 16 following:

17 “(ii) *SCREENING.*—*In addition*”;

18 (4) by inserting after “establish.” the following:

19 “A public housing agency’s elective screening shall be
 20 limited to criteria that are directly related to an ap-
 21 plicant’s ability to fulfill the obligations of an as-
 22 sisted lease and shall consider mitigating cir-
 23 cumstances related to such applicant. The require-
 24 ments of the preceding sentence shall not limit the
 25 ability of a public housing agency to deny assistance

1 *based on an applicant’s criminal background or any*
2 *other permissible grounds for denial under subtitle F*
3 *of title V of the Quality Housing and Work Responsi-*
4 *bility Act of 1998 (42 U.S.C. 13661 et seq.; relating*
5 *to safety and security in public and assisted housing),*
6 *subject to the procedural requirements of this section.*
7 *Any applicant or participant determined to be ineli-*
8 *gible for admission or continued participation to the*
9 *program shall be notified of the basis for such deter-*
10 *mination and provided, within a reasonable time*
11 *after the determination, an opportunity for an infor-*
12 *mal hearing on such determination at which miti-*
13 *gating circumstances, including remedial conduct*
14 *subsequent to the conduct that is the basis of such de-*
15 *termination, shall be considered.”; and*

16 *(5) by adding at the end the following:*

17 *“(iii) EXISTING ASSISTED FAMILIES.—*
18 *Families being provided enhanced vouchers*
19 *pursuant to subsection (t), families receiv-*
20 *ing assistance under this Act that are subse-*
21 *quently provided tenant-based assistance*
22 *pursuant to subsection (dd)(1)(B), and fam-*
23 *ilies residing in multifamily housing subject*
24 *to a mortgage insured under the National*
25 *Housing Act that are provided tenant-based*

1 *assistance pursuant to subsection*
2 *(dd)(1)(B)(xiv) of this section shall not be*
3 *considered new applicants under this para-*
4 *graph and shall not be subject to elective re-*
5 *screening by a public housing agency.”.*

6 **(b) LEASES AND TENANCY.**—*Subparagraph (E) of sec-*
7 *tion 8(o)(7) of the United States Housing Act of 1937 (42*
8 *U.S.C. 1437f(o)(7)(E)) is amended by inserting “termi-*
9 *nation or” after “any” the last place such term appears.*

10 **(c) DENIALS OF ADMISSION.**—*Section 576 of the Qual-*
11 *ity Housing and Work Responsibility Act of 1998 (42*
12 *U.S.C. 13661) is amended—*

13 **(1) in subsection (b)—**

14 **(A) by striking paragraph (2);**

15 **(B) in paragraph (1)—**

16 **(i) in subparagraph (A), by inserting**
17 **“, based on documented evidence that is**
18 **credible and objective,” after “determines”;**

19 **(ii) in subparagraph (B), by striking**
20 **“that it has reasonable” and all that follows**
21 **through “by other residents” and inserting**
22 **“, based on documented evidence that is**
23 **credible and objective, is a chronic abuser of**
24 **alcohol, and who is not currently partici-**

1 *pating in a supervised alcohol rehabilita-*
2 *tion program”;* and

3 *(iii) by redesignating subparagraphs*
4 *(A) and (B) (as so amended) as paragraphs*
5 *(1) and (2) and realigning such para-*
6 *graphs, as so redesignated, so as to be in-*
7 *dented 2 ems from the left margin; and*
8 *(C) by striking the subsection designation*
9 *and all that follows through “Notwithstanding”*
10 *in paragraph (1) and inserting the following:*

11 *“(b) INELIGIBILITY OF ILLEGAL DRUG USERS AND AL-*
12 *COHOL ABUSERS.—Notwithstanding”;* and

13 *(2) in subsection (c)—*

14 *(A) in the section heading, by inserting*
15 *“CERTAIN” before “CRIMINAL”;*

16 *(B) in the matter that precedes paragraph*
17 *(1)—*

18 *(i) by inserting “, based on docu-*
19 *mented evidence that is credible and objec-*
20 *tive,” after “determines”;*

21 *(ii) by striking “a reasonable time”*
22 *and inserting “the 5-year period”;* and

23 *(iii) by striking “or other criminal ac-*
24 *tivity”;*

1 (C) in paragraph (2), by striking “reason-
2 able” each place such term appears and inserting
3 “5-year”; and

4 (D) by adding after and below paragraph
5 (2) the following:

6 *“No denial of admission may be made pursuant to this sub-
7 section based on a misdemeanor charge and conviction un-
8 less such denial is based on a pattern of activity, the com-
9 mission of any offense against a child (including child por-
10 nography offenses), the commission of any offense involving
11 a child victim, the commission of a sexual assault, the com-
12 mission of an assault, or the commission of violent, disrupt-
13 ive (as such term is defined by the Secretary), or illegal
14 behavior that interferes with the right to peaceful enjoyment
15 of the premises by other residents.”.*

16 **SEC. 15. PROHIBITION ON FIREARMS RESTRICTIONS IN**
17 **FEDERALLY ASSISTED HOUSING.**

18 *Subtitle F of the Quality Housing and Work Responsi-
19 bility Act of 1998 is amended by inserting after section 578
20 (42 U.S.C. 13663) the following new section.:*

21 **“SEC. 578A. PROHIBITION ON FIREARMS RESTRICTIONS IN**
22 **FEDERALLY ASSISTED HOUSING.**

23 *“Neither the Secretary of Housing and Urban Develop-
24 ment, nor any public housing agency, nor any owner of
25 federally assisted housing may establish any prohibition or*

1 *restriction on the otherwise lawful possession or use of fire-*
2 *arms in federally assisted housing.”.*

3 **SEC. 16. ENHANCED VOUCHERS.**

4 *(a) QUALIFICATION; ELECTION TO REMAIN IN UNIT.—*
5 *Section 8(t)(1) of the United States Housing Act of 1937*
6 *(42 U.S.C. 1437f(t)(1)(B)) is amended—*

7 *(1) in the matter preceding subparagraph (A),*
8 *by inserting “and shall not require that the family re-*
9 *qualify under the selection standards for a public*
10 *housing agency in order to be eligible for such assist-*
11 *ance” before the comma; and*

12 *(2) by striking subparagraph (B) and inserting*
13 *the following new subparagraph:*

14 *“(B)(i) the assisted family may elect to re-*
15 *main in the same project in which the family*
16 *was residing on the date of the eligibility event*
17 *for the project regardless of unit and family size*
18 *standards normally used by the administering*
19 *public housing agency (except that tenants may*
20 *be required to move to units of appropriate size*
21 *if available on the premises), and the owner of*
22 *the unit shall accept the enhanced voucher and*
23 *terminate the tenancy only for serious or re-*
24 *peated violation of the terms and conditions of*
25 *the lease or for violation of applicable law; and*

1 “(ii) if, during any period the family makes
2 such an election and continues to so reside, the
3 rent for the dwelling unit of the family in such
4 project exceeds the applicable payment standard
5 established pursuant to subsection (o) for the
6 unit, the amount of rental assistance provided on
7 behalf of the family shall be determined using a
8 payment standard that is equal to the rent for
9 the dwelling unit (as such rent may be increased
10 from time-to-time), subject to paragraph (10)(A)
11 of subsection (o) and any other reasonable limit
12 prescribed by the Secretary, except that a limit
13 shall not be considered reasonable for purposes of
14 this subparagraph if it adversely affects such as-
15 sisted families;”.

16 (b) *PROVISION TO RESIDENTS OF ASSISTED MULTI-*
17 *FAMILY PROJECTS UPON TERMINATION DATE.—*

18 (1) *REQUIREMENT.—*Upon the termination date
19 for each assisted multifamily housing project, to the
20 extent that amounts for assistance under this para-
21 graph are provided in advance in appropriation Acts,
22 the Secretary of Housing and Urban Development
23 shall make enhanced voucher assistance under section
24 8(t) of the United States Housing Act of 1937 (42

1 *U.S.C. 1437f(t)) available on behalf of each family de-*
2 *scribed in paragraph (2).*

3 (2) *ELIGIBILITY.—A family described in this*
4 *paragraph is a family who—*

5 (A)(i) *is a low-income family; or*

6 (ii) *is a moderate-income family that is—*

7 (I) *an elderly family (as such term is*
8 *used in section 3(b) of the United States*
9 *Housing Act of 1937 (42 U.S.C. 1437a(b));*

10 (II) *a disabled family (as such term is*
11 *used in section 3(b) of the United States*
12 *Housing Act of 1937 (42 U.S.C. 1437a(b));*

13 *or*

14 (III) *residing in a low-vacancy area*
15 *(as determined by the Secretary); and*

16 (B) *on such termination date, is residing in*
17 *a dwelling unit of the project that—*

18 (i) *immediately before such termi-*
19 *nation date was assisted under the multi-*
20 *family housing subsidy program for the*
21 *project; and*

22 (ii) *is not assisted after such termi-*
23 *nation date under section 8 of such Act.*

24 (3) *ELIGIBILITY EVENT.—Section 8(t)(2) of the*
25 *United States Housing Act of 1937 (42 U.S.C.*

1 1437f(t)(2)) is amended by adding after the period at
2 the end the following new sentence: “Such term in-
3 cludes, with respect to an assisted multifamily hous-
4 ing project (as such term is defined in section 16(b)
5 of the Section 8 Voucher Reform Act of 2009), the oc-
6 currence of the termination date for the project.”.

7 (4) *DEFINITIONS.*—For purposes of this sub-
8 section, the following definitions shall apply:

9 (A) *ASSISTED MULTIFAMILY HOUSING*
10 *PROPERTY.*—The term “assisted multifamily
11 housing property” means a multifamily housing
12 project for which assistance is provided under a
13 multifamily housing subsidy program.

14 (B) *LOW-INCOME FAMILY.*—The term “low-
15 income family” has the meaning given such term
16 in section 3(b) of the United States Housing Act
17 of 1937 (42 U.S.C. 1437a(b)).

18 (C) *MODERATE-INCOME FAMILY.*—The term
19 “moderate-income family” has the meaning
20 given such term in section 229 of the Low-In-
21 come Housing Preservation and Resident Home-
22 ownership Act of 1992 (12 U.S.C. 4119).

23 (D) *MULTIFAMILY HOUSING SUBSIDY PRO-*
24 *GRAM.*—The term “multifamily housing subsidy
25 program” means—

1 (i) *the below-market interest rate mort-*
2 *gage insurance program under section*
3 *221(d)(3) of the National Housing Act (12*
4 *U.S.C. 1715l(d)(3)); and*

5 (ii) *the program for interest reduction*
6 *payments under section 236 of the National*
7 *Housing Act (12 U.S.C. 1715z-1).*

8 (E) *TERMINATION DATE.*—*The term “termi-*
9 *nation date” means, with respect to an assisted*
10 *multifamily housing property, the date that—*

11 (i) *the mortgage for the property that*
12 *is insured under the below-market interest*
13 *rate program under section 221(d)(3) of the*
14 *National Housing Act, or for which interest*
15 *reduction payments are made under section*
16 *236 of such Act, matures; and*

17 (ii) *the affordability restrictions appli-*
18 *cable to the property because of assistance*
19 *for the property pursuant to a multifamily*
20 *housing subsidy program terminate with re-*
21 *spect to the property.*

22 (5) *REGULATIONS.*—*The Secretary may issue*
23 *any regulations necessary to carry out this subsection.*

24 (c) *PROVISION TO CERTAIN ASSISTED HOUSING RESI-*
25 *DENTS.*—

1 (1) *ENHANCED VOUCHER ASSISTANCE.*—Not-
2 withstanding any other provision of law, contract, or
3 covenant, and subject only to the availability of
4 amounts provided in advance in appropriation
5 Acts—

6 (A) upon the expiration, pursuant to sub-
7 paragraph (B), of the use restrictions applicable
8 to the covered properties pursuant to the Emer-
9 gency Low Income Housing Preservation Act of
10 1987 (12 U.S.C. 1715l note), each family who is
11 an eligible low-income or moderate income fam-
12 ily, as such terms are used for purposes of sec-
13 tion 223(f)(2)(A) of the Low-Income Housing
14 Preservation and Resident Homeownership Act
15 of 1990 (12 U.S.C. 4113(f)(2)(A)), and, as of
16 such expiration, is residing in a dwelling unit in
17 the covered properties not covered by project-
18 based rental assistance, shall be offered enhanced
19 voucher assistance under section 8(t) of the
20 United States Housing Act of 1937 (42 U.S.C.
21 1437f(t)), and each such family who chooses to
22 remain in the covered properties shall have three
23 years from the date of the issuance of such en-
24 hanced voucher to commence use of the voucher;

1 (B) such use restrictions applicable to the
2 covered properties shall be deemed to expire on
3 March 1, 2010, but only if the owner of the cov-
4 ered properties enters into agreements with the
5 Secretary to maintain the project-based rental
6 assistance for the properties for a period begin-
7 ning upon such expiration of not fewer than 20
8 years; and

9 (C) the contract rents for dwelling units in
10 the covered properties covered by project-based
11 rental assistance shall be determined during the
12 period ending upon the expiration of such use re-
13 strictions pursuant to subparagraph (B) based
14 upon the rents for comparable unassisted and
15 unrestricted units in the area in which the cov-
16 ered properties are located; except that before
17 May 1, 2012, the rental assistance payments for
18 such project-based units in the covered property
19 known as *Georgetowne Houses II* shall be re-
20 stricted to the rent levels provided under the
21 *Emergency Low Income Housing Preservation*
22 *Act of 1987*.

23 (2) *COVERED PROPERTIES*.—For purposes of this
24 subsection, the term “covered properties” means the
25 housing developments known as *Georgetowne Houses*

1 *I and II (formerly identified by FHA project nos.*
2 *023-55058 and 023-55179), located in Boston, Massa-*
3 *chusetts.*

4 (3) *FUNDING.*—*Amounts for the enhanced vouch-*
5 *ers pursuant to this subsection shall be provided*
6 *under amounts appropriated for tenant-based rental*
7 *assistance otherwise authorized under section 8(t) of*
8 *the United States Housing Act of 1937.*

9 (4) *APPLICABILITY.*—*This subsection shall take*
10 *effect upon enactment and nothing in this subsection*
11 *may be construed to require any administrative guid-*
12 *ance.*

13 **SEC. 17. DEMONSTRATION PROGRAM WAIVER AUTHORITY.**

14 (a) *AUTHORITY TO ENTER INTO AGREEMENTS.*—*Not-*
15 *withstanding any other provision of law, the Secretary of*
16 *Housing and Urban Development may enter into such*
17 *agreements as may be necessary with the Social Security*
18 *Administration and the Secretary of Health and Human*
19 *Services to allow for the participation, in any demonstra-*
20 *tion program described in subsection (c), by the Department*
21 *of Housing and Urban Development and the use under such*
22 *program of housing choice vouchers under section 8(o) of*
23 *the United States Housing Act of 1937 (42 U.S.C.*
24 *1437f(o)).*

1 (b) *WAIVER OF INCOME REQUIREMENTS.*—*The Sec-*
2 *retary of Housing and Urban Development may, to extent*
3 *necessary to allow rental assistance under section 8(o) of*
4 *the United States Housing Act of 1937 to be provided on*
5 *behalf of persons described in subsection (c) who participate*
6 *in a demonstration program described in such subsection,*
7 *and to allow such persons to be placed on a waiting list*
8 *for such assistance, partially or wholly disregard increases*
9 *in earned income for the purpose of rent calculations under*
10 *section 3 for such persons.*

11 (c) *DEMONSTRATION PROGRAMS.*—*A demonstration*
12 *program described in this subsection is a demonstration*
13 *program of a State that provides for persons with signifi-*
14 *cant disabilities to be employed and continue to receive ben-*
15 *efits under programs of the Department of Health and*
16 *Human Services and the Social Security Administration,*
17 *including the program of supplemental security income*
18 *benefits under title XVI of the Social Security Act, dis-*
19 *ability insurance benefits under title II of such Act, and*
20 *the State program for medical assistance (Medicaid) under*
21 *title XIX of such Act.*

22 **SEC. 18. AUTHORIZATION OF APPROPRIATIONS.**

23 *There is authorized to be appropriated for fiscal year*
24 *2010 the amount necessary to provide public housing agen-*
25 *cies with incremental assistance under section 8(o) of the*

1 *United States Housing Act of 1937 (42 U.S.C. 1437f(o))*
2 *sufficient to assist 150,000 incremental dwelling units in*
3 *such fiscal year, for—*

4 (1) *tenant-based assistance; and*

5 (2) *project-based voucher assistance for extremely*
6 *low-income families, in conjunction with—*

7 (A) *funding from either of the funds estab-*
8 *lished under section 1138 or 1339 of the Federal*
9 *Housing Enterprises Financial Safety and*
10 *Soundness Act of 1992 (12 U.S.C. 4568, 4569);*

11 (B) *low-income housing tax credits provided*
12 *under section 42 of the Internal Revenue Code of*
13 *1986;*

14 (C) *amounts provided under the community*
15 *development block grant program under title I of*
16 *the Housing and Community Development Act of*
17 *1974 (42 U.S.C. 5301 et seq.) and the HOME*
18 *investment partnerships program under title II*
19 *of the Cranston-Gonzalez National Affordable*
20 *Housing Act (42 U.S.C. 12721 et seq.); and*

21 (D) *State and local affordable housing*
22 *funds and programs.*

1 **SEC. 19. AGENCY AUTHORITY FOR UTILITY PAYMENTS IN**
2 **CERTAIN CIRCUMSTANCES.**

3 *Section 8(o) of the United States Housing Act of 1937*
4 *(42 U.S.C. 1437f(o)), as amended by the preceding provi-*
5 *sions of this Act, is further amended by adding at the end*
6 *the following new paragraph:*

7 *“(22) AUTHORITY OF PUBLIC HOUSING AGENCIES*
8 *TO MAKE DIRECT PAYMENTS FOR UTILITIES WHEN*
9 *OWNER FAILS TO PAY.—*

10 *“(A) IN GENERAL.—If the owner has failed*
11 *to pay for utilities that are the responsibility of*
12 *the owner under the lease or applicable law, the*
13 *public housing agency is authorized to utilize*
14 *subsidy payments otherwise due the owner to*
15 *pay for continued utility service to avoid hard-*
16 *ship to program participants.*

17 *“(B) NOTICE.—Before making utility pay-*
18 *ments as described in subparagraph (A), the*
19 *public housing agency shall take reasonable steps*
20 *to notify the owner that it intends to make pay-*
21 *ments to a utility provider in lieu of payments*
22 *to the owner, except prior notification shall not*
23 *be required in any case in which the unit will*
24 *be or has been rendered uninhabitable due to the*
25 *termination or threat of termination of service,*
26 *in which case the public housing agency shall*

1 *notify the owner within a reasonable time after*
2 *making such payment.”.*

3 **SEC. 20. UTILITY DATA.**

4 *Section 8(o) of the United States Housing Act of 1937*
5 *(42 U.S.C. 1437f(o), as amended by the preceding provi-*
6 *sions of this Act, is further amended by adding at the end*
7 *the following new paragraph:*

8 “(23) *UTILITY DATA.*—

9 “(A) *PUBLICATION.*—*The Secretary shall*
10 *regularly publish such data regarding utility*
11 *consumption and costs in local areas as the Sec-*
12 *retary determines will be useful for the establish-*
13 *ment of allowances for tenant-paid utilities for*
14 *families assisted under this subsection.*

15 “(B) *GUIDELINES FOR USE.*—*The Secretary*
16 *shall establish guidelines providing for the use of*
17 *such data in a manner that—*

18 “(i) *avoids unnecessary administrative*
19 *burdens for public housing agencies; and*

20 “(ii) *protects families in various unit*
21 *sizes and building types, and using various*
22 *utilities, from high rent and utility cost*
23 *burdens relative to income.”.*

1 **SEC. 21. PROJECT-BASED PRESERVATION VOUCHERS.**

2 (a) *ENHANCED VOUCHERS.*—Section 8(t) of the
3 *United States Housing Act of 1937 (42 U.S.C. 1437f(t))*
4 *is amended—*

5 (1) *by redesignating paragraph (4) as para-*
6 *graph (5); and*

7 (2) *by inserting after paragraph (3) the fol-*
8 *lowing new paragraph:*

9 “(4) *PRESERVATION PROJECT-BASED VOUCHER*
10 *ASSISTANCE.*—*Notwithstanding any other provision*
11 *of law, in the case of a multifamily housing project*
12 *with respect to which an eligibility event occurs or*
13 *has occurred, project-based voucher assistance may be*
14 *provided in accordance with subsection (o)(13)(R) in*
15 *lieu of enhanced voucher assistance under this sub-*
16 *section. Such project-based voucher assistance shall*
17 *not be subject to the provisions of this subsection, ex-*
18 *cept as otherwise specifically provided in subsection*
19 *(o)(13)(R).”.*

20 (b) *PHA PROJECT-BASED VOUCHER ASSISTANCE.*—
21 *Paragraph (13) of section 8(o) of the United States Housing*
22 *Act of 1937 (42 U.S.C. 1437f(o)(13)), as amended by the*
23 *preceding provisions of this Act, is further amended by add-*
24 *ing at the end the following new subparagraph:*

25 “(R) *PRESERVATION ASSISTANCE.*—

1 “(i) *AUTHORITY.*—*Project-based vouch-*
2 *er assistance under this paragraph shall be*
3 *made available in accordance with this sub-*
4 *paragraph for multifamily housing projects*
5 *for which an eligibility event (as such term*
6 *is defined in subsection (t)) occurs or has*
7 *occurred and for which enhanced voucher*
8 *assistance would otherwise be, or has been,*
9 *provided under subsection (t). Any such as-*
10 *istance shall be in lieu of enhanced voucher*
11 *assistance under subsection (t) for tenants*
12 *residing in the project and shall be provided*
13 *by the Secretary to a public housing agency.*

14 “(ii) *REQUEST AND PROVISION.*—*If the*
15 *owner of a multifamily housing project*
16 *makes a request for project-based voucher*
17 *assistance pursuant to this subparagraph*
18 *for the project to a public housing agency*
19 *that administers a program for assistance*
20 *under subsection (o) for a jurisdiction with-*
21 *in which the project is located, a contract*
22 *for assistance under this subparagraph shall*
23 *be provided with respect to the project, sub-*
24 *ject to clause (v).*

1 “(iii) *TIMING, COVERAGE, AND UNIT*
2 *RENTS.—*

3 “(I) *REQUEST MADE BEFORE ELI-*
4 *GIBILITY EVENT.—In the case of a con-*
5 *tract for assistance under this subpara-*
6 *graph with respect to a project that is*
7 *requested prior to the occurrence of the*
8 *eligibility event, the contract for assist-*
9 *ance shall be provided, subject to clause*
10 *(v), upon the occurrence of the eligi-*
11 *bility event. Such contract shall cover*
12 *all dwelling units in the project for*
13 *which enhanced voucher assistance*
14 *under subsection (t) would otherwise be*
15 *provided.*

16 “(II) *REQUEST MADE AFTER*
17 *ISSUANCE OF ENHANCED VOUCHERS.—*
18 *In the case of a contract for assistance*
19 *under this subparagraph with respect*
20 *to a project that is requested after the*
21 *issuance of enhanced vouchers under*
22 *subsection (t) for the project, the con-*
23 *tract shall be provided, subject to*
24 *clause (v), as soon as possible. Such*
25 *contract shall cover all dwelling units*

1 *in the project that are occupied by ten-*
2 *ants receiving such enhanced voucher*
3 *assistance at the time the contract is*
4 *effective.*

5 “(III) *COVER*AGE OF ADDITIONAL
6 *DWELLING UNITS.—At the request of*
7 *the owner of a multifamily housing*
8 *project for which a contract for assist-*
9 *ance is to be provided under this sub-*
10 *paragraph, the public housing agency*
11 *may contract with the owner for*
12 *project-based voucher assistance under*
13 *this subparagraph to cover additional*
14 *dwelling units, if the public housing*
15 *agency determines that such additional*
16 *assistance is necessary or desirable to*
17 *further the purposes reflected in clause*
18 *(v).*

19 “(IV) *APPROVAL OF HIGHER*
20 *RENTS.—At the request of the owner of*
21 *a multifamily housing project for a*
22 *contract for assistance under this sub-*
23 *paragraph to establish rents at levels*
24 *above those permitted by subparagraph*
25 *(H), a public housing agency that has*

1 *made the determinations required by*
2 *clause (v) may request, and the Sec-*
3 *retary may approve, higher unit rents*
4 *if necessary to preserve housing oppor-*
5 *tunities that further the purposes of*
6 *clause (v).*

7 “(iv) *PROJECTS IN MULTIPLE PHA JU-*
8 *RISDICTIONS.*—*If the Secretary has not en-*
9 *tered into a contract with a public housing*
10 *agency to provide enhanced voucher assist-*
11 *ance under subsection (t) for the project at*
12 *the time the owner of a multifamily housing*
13 *project requests assistance under this sub-*
14 *paragraph, and the project is located within*
15 *the jurisdiction for the program under sub-*
16 *section (o) of more than one public housing*
17 *agency, in determining which agency will*
18 *administer such assistance, the Secretary*
19 *shall—*

20 “(I) *consider the ratio of the num-*
21 *ber of vouchers to be awarded under*
22 *this subparagraph and of other project-*
23 *based vouchers administered under this*
24 *paragraph to the total number of*

1 *vouchers administered by an agency;*
2 *and*

3 “(II) *among other factors, provide*
4 *preference to an agency for which the*
5 *total number of project-based vouchers*
6 *administered under this paragraph,*
7 *including vouchers to be awarded pur-*
8 *suant to this subparagraph, would not*
9 *exceed 50 percent of the total number*
10 *of all vouchers to be administered by*
11 *the agency after such award.*

12 *The Secretary shall establish guidelines for*
13 *determining which agency will administer*
14 *assistance if a unit is not located within the*
15 *jurisdiction of any public housing agency*
16 *that administers vouchers.*

17 “(v) *REQUIRED DETERMINATIONS.—As*
18 *a condition of entering into a contract pur-*
19 *suant to this subparagraph, the public hous-*
20 *ing agency shall have determined, before en-*
21 *tering into such contract that—*

22 “(I) *the housing to be assisted*
23 *under the contract is economically via-*
24 *ble; and*

1 “(II)(aa) *there is a significant de-*
2 *mand for the housing;*

3 “(bb) *the housing will contribute*
4 *to a community revitalization plan or*
5 *to deconcentrating poverty and ex-*
6 *anding housing and economic oppor-*
7 *tunities; or*

8 “(cc) *the continued affordability*
9 *of the housing otherwise is an impor-*
10 *tant asset to the community.*

11 “(vi) *INAPPLICABILITY OF GOALS.—*
12 *Subparagraph (C) shall not apply to a*
13 *housing assistance payment contract pursu-*
14 *ant to this subparagraph.*

15 “(vii) *DISREGARD OF ASSISTANCE*
16 *UNDER PERCENTAGE LIMITATION.—*
17 *Amounts provided pursuant to this sub-*
18 *paragraph shall not be considered for pur-*
19 *poses of calculating the limitation under*
20 *subparagraph (B).*

21 “(viii) *INAPPLICABILITY OF INCOME-*
22 *MIXING REQUIREMENT.—Subparagraph (D)*
23 *shall not apply with respect to a housing*
24 *assistance payments contract pursuant to*
25 *this subparagraph.*

1 “(ix) *ELIGIBILITY.*—Subject only to
2 *clause (iii) and notwithstanding any other*
3 *provision of law, any family residing in a*
4 *multifamily housing project on the date of*
5 *the eligibility event for the project who*
6 *would otherwise be eligible for enhanced*
7 *voucher assistance under subsection (t) shall*
8 *be eligible for project-based voucher assist-*
9 *ance pursuant to this subparagraph.”.*

10 **SEC. 22. EFFECT OF FORECLOSURE ON SECTION 8 TENAN-**
11 **CIES.**

12 *(a) USE OF RENTAL ASSISTANCE AMOUNTS.*—Section
13 *8(o)(7) of the United States Housing Act of 1937 (42 U.S.C.*
14 *1437f(o)(7)), as amended by section 703 of division A of*
15 *Public Law 111–22 (123 Stat. 1661), is amended—*

16 *(1) in subparagraph (F), by inserting after “oc-*
17 *cupied unit,” the following: “and if a public housing*
18 *agency is unable to make payments under the con-*
19 *tract to the immediate successor in interest after fore-*
20 *closure, due to action or inaction by the successor in*
21 *interest, including the rejection of payments or the*
22 *failure of the successor to maintain the unit in com-*
23 *pliance with paragraph (8), or an inability to iden-*
24 *tify the successor, the agency may use funds that*

1 *would have been used to pay the rental amount on be-*
2 *half of the family—*

3 “(i) *to pay for utilities that are the re-*
4 *sponsibility of the owner under the lease or*
5 *applicable law, after taking reasonable steps*
6 *to notify the owner that it intends to make*
7 *payments to a utility provider in lieu of*
8 *payments to the owner, except prior notifi-*
9 *cation shall not be required in any case in*
10 *which the unit will be or has been rendered*
11 *uninhabitable due to the termination or*
12 *threat of termination of service, in which*
13 *case the public housing agency shall notify*
14 *the owner within a reasonable time after*
15 *making such payment; or*

16 “(ii) *for the family’s reasonable mov-*
17 *ing costs, including security deposit costs.”;*

18 (2) *by striking “except that this provision and*
19 *the provisions related to foreclosure in subparagraph*
20 *(C) shall not” in subparagraph (F) and inserting the*
21 *following:*

22 “(The provisions related to foreclosure in subpara-

23 *graphs (C) and (F)”;* and

24 (3) *in the matter after and below subparagraph*
25 *(F), as amended by paragraph (2) of this subsection,*

1 *by adding after the period at the end the following:*
 2 *“For purposes of subparagraphs (C) and (F), the*
 3 *term ‘immediate successor in interest’ includes a pur-*
 4 *chaser who purchases a property from an immediate*
 5 *successor in interest.”.*

6 *(b) SUNSET.—Section 704 of division A of the Helping*
 7 *Families Save Their Homes Act (42 U.S.C. 1437f note;*
 8 *Public Law 111–22; 123 Stat. 1662) is amended—*

9 *(1) by striking “This title, and any amendments*
 10 *made by this title are” and inserting “Section 702*
 11 *is”; and*

12 *(2) by striking “this title” and inserting “such*
 13 *section”.*

14 **SEC. 23. STUDY TO IDENTIFY OBSTACLES TO USING VOUCH-**
 15 **ERS IN FEDERALLY SUBSIDIZED HOUSING**
 16 **PROJECTS.**

17 *(a) STUDY.—The Comptroller General of the United*
 18 *States shall conduct a study of (1) the housing voucher pro-*
 19 *gram authorized under section 8(o) of the United States*
 20 *Housing Act of 1937 (42 U.S.C. 1437f(o)), and (2) other*
 21 *federally subsidized housing programs, to determine wheth-*
 22 *er any statutory, regulatory, or administrative provisions*
 23 *of the housing voucher program or of other federally sub-*
 24 *sidized housing programs, or policies and practices of hous-*
 25 *ing owners or public housing agencies or other agencies,*

1 *may have the effect of making occupancy by voucher holders*
2 *in federally subsidized housing projects more difficult to ob-*
3 *tain than occupancy by non-voucher holders. In conducting*
4 *the study required under this subsection the Comptroller*
5 *General shall determine if any gaps exist in the statute,*
6 *regulations, or administration of the housing voucher pro-*
7 *gram or of other federally subsidized housing programs and*
8 *policies and practices of housing owners or public housing*
9 *agencies or other agencies that, if addressed, could eliminate*
10 *or reduce obstacles to voucher holders in seeking occupancy*
11 *in federally subsidized housing projects. Such study shall*
12 *include data on the use of housing vouchers in federally sub-*
13 *sidized housing projects.*

14 (b) *DEFINITION.*—*As used in this section, the term*
15 *“federally subsidized housing projects” includes projects as-*
16 *sisted pursuant to the HOME investment partnerships pro-*
17 *gram under title II of the Cranston-Gonzalez National Af-*
18 *fordable Housing Act (42 U.S.C. 12721 et seq.) and those*
19 *projects receiving the benefit of low-income housing credits*
20 *under section 42 of the Internal Revenue Code of 1986 (26*
21 *U.S.C. 42).*

22 (c) *REPORT.*—*Not later than 6 months after the date*
23 *of enactment of this Act, the Comptroller General shall re-*
24 *port to Congress the findings from the study required under*

1 *subsection (a) and any recommendations for statutory, reg-*
2 *ulatory, or administrative changes.*

3 **SEC. 24. INTERAGENCY COUNCIL ON HOMELESSNESS.**

4 (a) *TECHNICAL CORRECTION.*—Section 202(e) of the
5 *McKinney-Vento Homeless Assistance Act (42 U.S.C.*
6 *11312), as amended by section 1004 of division B of Public*
7 *Law 111–22, is amended by striking “Chairman” and in-*
8 *serting “Chairperson”.*

9 (b) *DUTIES.*—Section 203 of the *McKinney-Vento*
10 *Homeless Assistance Act (42 U.S.C. 11313), as amended by*
11 *section 1004 of Public Law 111–22, is amended—*

12 (1) *in subsection (a)—*

13 (A) *by redesignating paragraphs (6)*
14 *through (13) as paragraphs (9) through (16), re-*
15 *spectively;*

16 (B) *in paragraph (1), by inserting “which*
17 *shall set forth actions to accomplish the goal of*
18 *ending homelessness,” after “National Strategic*
19 *Plan to End Homelessness,”;*

20 (C) *in paragraph (3), by inserting before*
21 *the semicolon at the end the following: “and en-*
22 *sure that related programs and activities to as-*
23 *sist homeless individuals of Federal agencies are*
24 *coordinated with each other”;* and

1 (D) by inserting after paragraph (5) the fol-
2 lowing new paragraphs:

3 “(6) make recommendations, in the reports sub-
4 mitted pursuant to subsection (c) on—

5 “(A) long-term goals for the Congress to re-
6 duce homelessness; and

7 “(B) legislative strategies for the Congress
8 to achieve such goals;

9 “(7) evaluate the Federal role in interacting and
10 coordinating with State and local entities that ad-
11 dress homelessness;

12 “(8) conduct research and develop methods—

13 “(A) through consultation with State and
14 local agencies, to improve coordination between
15 the Council and Federal agencies in existence
16 upon the date of enactment of the Interagency
17 Council on Homelessness Reform Act of 2009
18 that specifically deal with homelessness; and

19 “(B) to minimize the period during which
20 individuals remain homeless;”; and

21 (2) in subsection (c), by adding at the end the
22 following new paragraphs:

23 “(3) BIENNIAL REPORT.—The Council shall pre-
24 pare and transmit to the President and the Congress

1 *a biennial report detailing the efforts of the Council*
2 *to address homelessness.*

3 “(4) *PUBLIC AVAILABILITY.*—*The Council shall*
4 *make each report submitted to the Congress pursuant*
5 *to paragraph (1), (2), or (3) of this subsection, and*
6 *the national plan and updates of such plan submitted*
7 *pursuant to paragraph (1) of subsection (a), publicly*
8 *available, including through posting on a World Wide*
9 *Web site maintained by the Council.”.*

10 (c) *AUTHORIZATION OF APPROPRIATIONS.*—*Section*
11 *208 of the McKinney-Vento Homeless Assistance Act (42*
12 *U.S.C. 11318), as amended by section 1004 of division B*
13 *of Public Law 111–22, is amended by striking “fiscal years*
14 *2011” and inserting “each of fiscal years 2011 through*
15 *2015”.*

16 **SEC. 25. STUDY OF EFFECTS OF SECTION 8 PROGRAM ON**
17 **HUD BUDGET AND PROGRAMS.**

18 *The Comptroller General of the United States shall*
19 *conduct a study to identify and analyze the effects that the*
20 *rental assistance program under section 8 of the United*
21 *States Housing Act of 1937 (42 U.S.C. 1437f) has on the*
22 *other programs administered by the Secretary of Housing*
23 *and Urban Development and on the overall budget for the*
24 *Department of Housing and Urban Development. Not later*
25 *than the expiration of the 6-month period beginning on the*

1 *date of the enactment of this Act, the Comptroller General*
2 *shall submit a report to the Congress setting forth the results*
3 *and conclusions of the study under this section.*

4 **SEC. 26. HOUSING INNOVATION PROGRAM.**

5 *(a) ESTABLISHMENT OF PROGRAM.—Title I of the*
6 *United States Housing Act of 1937 (42 U.S.C. 1437 et seq.)*
7 *is amended by adding at the end the following new section:*

8 **“SEC. 37. HOUSING INNOVATION PROGRAM.**

9 *“(a) PURPOSE.—The purpose of this section is to es-*
10 *tablish a program under which public housing agencies are*
11 *given the flexibility to design, and the Secretary is given*
12 *the responsibility to evaluate, innovative approaches to pro-*
13 *viding housing assistance that—*

14 *“(1) increase housing opportunities for low-,*
15 *very low-, and extremely low-income families, includ-*
16 *ing preserving, modernizing, rehabilitating, reconfig-*
17 *uring, or replacing public housing at risk of physical*
18 *deterioration or obsolescence, developing additional*
19 *affordable housing, providing supportive housing, and*
20 *increasing the number of families receiving tenant-*
21 *based rental assistance;*

22 *“(2) provide financial incentives and other sup-*
23 *port mechanisms to families to obtain employment*
24 *and increase earned income, and achieve economic*
25 *self-sufficiency, while protecting very low- and ex-*

1 *tremely low-income families from increased rent bur-*
2 *dens;*

3 “(3) *utilize funds in a more effective or cost-effi-*
4 *cient manner, including achieving energy, adminis-*
5 *trative, and other cost savings;*

6 “(4) *leverage other Federal, State, and local*
7 *funding sources, including the low-income housing tax*
8 *credit program, to expand and preserve affordable*
9 *housing opportunities, including public housing;*

10 “(5) *test alternative rent-setting policies to deter-*
11 *mine whether rent determinations can be simplified*
12 *and administrative cost savings can be realized while*
13 *protecting extremely low- and very low-income fami-*
14 *lies from increased rent burdens;*

15 “(6) *are subject to rigorous evaluation to test the*
16 *effectiveness of such innovative approaches; and*

17 “(7) *are developed with the support of the local*
18 *community and with the substantial participation of*
19 *affected residents.*

20 “(b) *PROGRAM AUTHORITY.—*

21 “(1) *SCOPE.—*

22 “(A) *PRIORITY STRATEGY AGENCIES.—The*
23 *Secretary shall carry out a housing innovation*
24 *program under this section under which the Sec-*
25 *retary shall designate such number of public*

1 *housing agencies, which shall not exceed 60, to*
2 *participate in the housing innovation program*
3 *as may be necessary, in conjunction with agen-*
4 *cies approved for continued program participa-*
5 *tion pursuant to subsection (c), to demonstrate*
6 *the effectiveness of the priority strategies identi-*
7 *fied in subsection (d)(2).*

8 “(B) *ADDITIONAL PROGRAM AGENCIES.—*
9 *The Secretary shall also designate such number*
10 *of additional agencies, which shall not exceed 20,*
11 *to participate in the program under the terms of*
12 *subsection (i) as may be necessary to dem-*
13 *onstrate other innovative strategies as the Sec-*
14 *retary or applicants may propose.*

15 “(C) *TRANSFER OF EXISTING MTW AGEN-*
16 *CIES.—The Secretary shall also approve and*
17 *transfer into the program existing MTW agencies*
18 *pursuant to subsection (c).*

19 “(2) *DURATION.—The Secretary may carry out*
20 *the housing innovation program under this section*
21 *only during the 10-year period beginning on the date*
22 *of the enactment of the Section 8 Voucher Reform Act*
23 *of 2009.*

24 “(c) *PARTICIPATION OF EXISTING MTW AGENCIES.—*

1 “(1) *IN GENERAL.*—Subject to the requirements
2 of paragraph (2), all existing MTW agencies shall be
3 designated to participate in the program.

4 “(2) *CONDITIONS OF PARTICIPATION.*—The Sec-
5 retary shall approve and transfer into the housing in-
6 novation program under this section each existing
7 MTW agency that the Secretary determines—

8 “(A) is not in default under such agree-
9 ment;

10 “(B) is meeting the goals and objectives of
11 its moving to work plan; and

12 “(C) with respect to any agency that has
13 been audited by the Inspector General of the De-
14 partment of Housing and Urban Development
15 and that the Inspector General has determined
16 was not complying with program rules, is cur-
17 rently complying with such rules; the Secretary
18 shall provide an agency that the Secretary deter-
19 mines is not in compliance a reasonable period
20 of time to achieve such compliance.

21 “(3) *TERMS OF PARTICIPATION.*—Any agency
22 approved for transfer into the housing innovation
23 program may, at its option, be subject to the provi-
24 sions of subsection (d)(3), in lieu of an agreement
25 currently in place with the Secretary for participa-

1 *tion in the Moving to Work program. Each agency*
2 *shall, within two years after the date of the enactment*
3 *of the Section 8 Voucher Reform Act of 2009, make*
4 *changes to its policies that were implemented before*
5 *such date of enactment in order to comply with the*
6 *requirements of this section. Existing MTW agencies*
7 *shall not be required to comply with any require-*
8 *ments under subsection (d).*

9 *“(d) ADDITIONAL AGENCIES.—*

10 *“(1) PROPOSALS; SELECTION PROCESS.—In ad-*
11 *dition to agencies participating in the program pur-*
12 *suant to subsection (c), the Secretary shall, within 12*
13 *months after such date of enactment, select public*
14 *housing agencies to participate in the program pursu-*
15 *ant to a competitive process that meets the following*
16 *requirements:*

17 *“(A) Any public housing agency may be se-*
18 *lected to participate in the program, except that*
19 *not more than 5 agencies that are near-troubled*
20 *under the public housing assessment system and/*
21 *or section 8 management assessment program*
22 *may be selected, and except that any agency that*
23 *is a troubled agency under either such assess-*
24 *ment program or for which the Secretary has*
25 *hired an alternative management entity for such*

1 agency or has taken possession of all or any part
2 of such agency's public housing program shall
3 not be eligible for participation. Any near-trou-
4 bled public housing agency participating in the
5 program shall remain subject to the requirements
6 of this Act governing tenant rent contributions,
7 eligibility, and continued participation, and
8 may not adopt policies described in subsection
9 (e)(4) (relating to rents and requirements for
10 continued occupation and participation).

11 “(B) The process provides, to the extent pos-
12 sible based on eligible agencies submitting appli-
13 cations and taking into account existing MTW
14 agencies participating pursuant to subsection
15 (c), for representation among agencies selected of
16 agencies having various characteristics, includ-
17 ing both large and small agencies, agencies serv-
18 ing urban, suburban, and rural areas, and agen-
19 cies in various geographical regions throughout
20 the United States, and which may include the se-
21 lection of agencies that only administer the
22 voucher program under section 8(o).

23 “(C) Any agency submitting a proposal
24 under this paragraph shall have provided notice
25 to residents and the local community, not later

1 *than 30 days before the first of the two public*
2 *meetings required under subparagraph (D).*

3 “(D) *The agency submitting a proposal*
4 *shall hold two public meetings to receive com-*
5 *ments on the agency’s proposed application, on*
6 *the implications of changes under the proposal,*
7 *and the possible impact on residents.*

8 “(E) *The process includes criteria for selec-*
9 *tion, as follows:*

10 “(i) *The extent to which—*

11 “(I) *if proposal is for the purpose*
12 *of carrying out the priority strategy*
13 *under paragraph (2)(A) of this sub-*
14 *section, the proposal is likely to achieve*
15 *the purposes of increasing housing op-*
16 *portunities for low-, very low-, and ex-*
17 *tremely low-income families, including*
18 *preserving, modernizing, rehabili-*
19 *tating, reconfiguring, or replacing pub-*
20 *lic housing at risk of physical deterio-*
21 *ration or obsolescence, developing addi-*
22 *tional affordable housing, providing*
23 *supportive housing, or increasing the*
24 *number of families receiving tenant-*

1 *based rental assistance, or a combina-*
2 *tion of these purposes;*

3 “(II) *if the proposal is for the*
4 *purpose of carrying out the priority*
5 *strategy under paragraph (2)(B) of*
6 *this subsection, the proposal is likely to*
7 *achieve the purposes of families obtain-*
8 *ing employment, increasing earned in-*
9 *come, or achieving economic self-suffi-*
10 *ciency, while protecting extremely low-*
11 *and very low-income families from in-*
12 *creased rent burdens;*

13 “(III) *if the proposal is for the*
14 *purpose of carrying out an innovative*
15 *strategy under paragraph (2)(C) of*
16 *this subsection, the proposal is likely to*
17 *utilize funds in a more effective or*
18 *cost-efficient manner, including achiev-*
19 *ing energy, administrative, or other*
20 *cost-savings; or*

21 “(IV) *if the proposal is for the*
22 *purpose of carrying out an innovative*
23 *strategy pursuant to subsection*
24 *(b)(1)(B), the proposal is likely to*

1 *achieve the goals and objectives of such*
2 *strategy.*

3 “(ii) *The extent to which the proposal*
4 *generally identifies statutory provisions and*
5 *existing rules and regulations that impede*
6 *achievement of the goals and objectives of*
7 *the proposal and an explanation of why a*
8 *waiver of such statutory provisions, rules,*
9 *and regulations is necessary to achieve such*
10 *goals and objectives.*

11 “(iii) *The extent to which the agency*
12 *has a successful history of implementing or*
13 *has expertise in strategies similar to those*
14 *set forth in the agency’s proposal.*

15 “(iv) *The extent of commitment and*
16 *funding for carrying out the proposal by*
17 *local and State government agencies and*
18 *nonprofit organizations, including the pro-*
19 *vision of additional funding and other serv-*
20 *ices, and the extent of support for the pro-*
21 *posal by residents, resident advisory boards,*
22 *and members of the local community.*

23 “(v) *Such other factors as the Sec-*
24 *retary may establish, in consultation with*
25 *participating agencies and agencies inter-*

1 *ested in participating in the program, pro-*
2 *gram stakeholders, and any entity con-*
3 *ducting evaluations pursuant to subsection*
4 *(f).*

5 *“(2) PRIORITY STRATEGIES.—For purposes of*
6 *the first sentence of paragraph (b)(1), the following*
7 *are priority strategies:*

8 *“(A) INCREASING HOUSING OPPORTUNI-*
9 *TIES.—A strategy of development of increasing*
10 *housing opportunities for low-, very low-, and*
11 *extremely low-income families, including pre-*
12 *servicing, modernizing, rehabilitating, reconfig-*
13 *uring, or replacing public housing at risk of*
14 *physical deterioration or obsolescence, developing*
15 *additional affordable housing, providing sup-*
16 *portive housing, or increasing the number of*
17 *families receiving tenant-based rental assistance,*
18 *or a combination of these purposes, and which*
19 *may include leveraging other Federal, State, and*
20 *local funding sources.*

21 *“(B) RENT REFORMS AND FAMILY SELF-*
22 *SUFFICIENCY.—A strategy to implement rent re-*
23 *forms and other self-sufficiency incentives or re-*
24 *sources, which shall be designed to help families*
25 *obtain employment, increase their earned in-*

1 *come, or achieve economic self-sufficiency, while*
2 *protecting extremely low- and very low-income*
3 *families from increased rent burdens.*

4 “(C) *COST-EFFECTIVENESS.*—*A strategy to*
5 *utilize funds in a more effective or cost-efficient*
6 *manner, including achieving energy, administra-*
7 *tive, or other cost-savings.*

8 “(3) *CONTRACT AMENDMENT.*—*After selecting*
9 *agencies under this subsection, the Secretary shall*
10 *promptly amend the applicable annual contributions*
11 *contracts of such agencies to provide that—*

12 “(A) *subject to compliance with all program*
13 *rules under this section, such agencies may im-*
14 *plement any policies and activities that are not*
15 *inconsistent with this section, without specifying*
16 *such policies and activities in such amendment*
17 *and without negotiating or entering into any*
18 *other agreements with the Secretary specifying*
19 *such policies and activities; and*

20 “(B) *the policies and activities to be imple-*
21 *mented by an agency under the program in a*
22 *given year shall be described in and subject to*
23 *the requirements of the annual plan under sub-*
24 *section (e)(11).*

1 “(4) *MAINTAINING PARTICIPATION RATE.*—If, at
2 any time after the initial selection period under para-
3 graph (1), the number of public housing agencies par-
4 ticipating in the program falls below the number se-
5 lected pursuant to paragraph (1), the Secretary shall
6 promptly solicit applications from and select public
7 housing agencies to participate in the program under
8 the terms and conditions for application and selection
9 provided in this section to increase the number of
10 participating agencies to the number initially selected
11 pursuant to paragraph (1).

12 “(e) *PROGRAM REQUIREMENTS.*—

13 “(1) *PROGRAM FUNDS.*—

14 “(A) *IN GENERAL.*—To carry out a housing
15 innovation program under this section, the par-
16 ticipating agency may use amounts provided to
17 the agency from the Operating Fund under sec-
18 tion 9(e), amounts provided to the agency from
19 the Capital Fund under section 9(d), and
20 amounts provided to the agency for voucher as-
21 sistance under section 8(o). Such program funds
22 may be used for any activities that are author-
23 ized by section 8(o) or 9, or for other activities
24 that are not inconsistent with this section, which
25 may include, without limitation—

1 “(i) providing capital and operating
2 assistance, and financing for housing pre-
3 viously developed or operated pursuant to a
4 contract between the Secretary and such
5 agency;

6 “(ii) the acquisition, new construction,
7 rehabilitation, financing, and provision of
8 capital or operating assistance for low-in-
9 come housing (including housing other than
10 public housing) and related facilities, which
11 may be for terms exceeding the term of the
12 program under this section in order to se-
13 cure other financing for such housing;

14 “(iii) costs of site acquisition and im-
15 provement, providing utility services, demo-
16 lition, planning, and administration of ac-
17 tivities under this paragraph;

18 “(iv) housing counseling for low-in-
19 come families in connection with rental or
20 homeownership assistance provided under
21 the program;

22 “(v) safety, security, law enforcement,
23 and anticrime activities appropriate to pro-
24 tect and support families assisted under the
25 program;

1 “(vi) *tenant-based rental assistance,*
2 *which may include the project-basing of*
3 *such assistance;*

4 “(vii) *appropriate and reasonable fi-*
5 *nancial assistance that is required to pre-*
6 *serve low-income housing otherwise assisted*
7 *under programs administered by the Sec-*
8 *retary or under State or local low-income*
9 *housing or public housing programs; and*

10 “(viii) *family self-sufficiency activities*
11 *for low-income families in connection with*
12 *rental or homeownership assistance pro-*
13 *vided under the program.*

14 “(B) *COMBINING FUNDS.—Notwithstanding*
15 *any other provision of law, a participating*
16 *agency may combine and use program funds for*
17 *any activities authorized under this section, ex-*
18 *cept that a participating agency may use funds*
19 *provided for assistance under section 8(o) for ac-*
20 *tivities other than those authorized under section*
21 *8(o) only if (i) in the calendar year prior to its*
22 *participation in the program, the agency utilized*
23 *not less than 95 percent of such funds allocated*
24 *for that calendar year for such authorized activi-*
25 *ties or 95 percent of its authorized vouchers; or*

1 (ii) after approval to participate in the pro-
2 gram, the agency achieves such utilization for a
3 12-month period. Such limitation shall not
4 apply to participating agencies approved by the
5 Secretary to combine funds from sections 8 and
6 9 of the Act prior to enactment of this section.
7 A public housing agency that uses funds pro-
8 vided from assistance under section 8(o) for ac-
9 tivities not authorized under such subsection
10 may not terminate assistance to families assisted
11 under such subsection on the grounds of inad-
12 equate funding to the extent such inadequacy is
13 caused by such use of funds for purposes not au-
14 thorized under section 8(o).

15 “(2) USE OF PROGRAM FUNDS.—In carrying out
16 the housing innovation program under this section,
17 each participating agency shall continue to assist—

18 “(A) not less than substantially the same
19 number of eligible low-income families under the
20 program as it assisted in the base year for the
21 agency; and

22 “(B) a comparable mix of families by fam-
23 ily size, subject to adjustment to reflect changes
24 in the agency’s waiting list, except that the Sec-
25 retary may approve exceptions to such require-

1 *ments for up to 3 years based on modernization*
2 *or redevelopment activities proposed in an an-*
3 *nual plan submitted and approved in accordance*
4 *with paragraph (11).*

5 *Determinations with respect to the number of families*
6 *required to be served shall be adjusted to reflect any*
7 *allocation of additional vouchers under section 8(o),*
8 *any change in annual voucher proration factor, or*
9 *such other appropriate adjustments as the Secretary*
10 *may establish. For purposes of subparagraphs (A)*
11 *and (B), the term ‘base year’ means, with respect to*
12 *existing MTW agencies, the first full calendar year*
13 *prior to approval for entry into the moving to work*
14 *demonstration. The Secretary shall monitor and en-*
15 *force compliance with the requirements of subpara-*
16 *graph (A) on an annual basis.*

17 “(3) *RETAINED PROVISIONS.—Each agency that*
18 *is approved for program participation pursuant to*
19 *subparagraph (A) or (B) of subsection (b)(1) shall*
20 *comply with all provisions of this Act except those*
21 *statutory provisions and existing rules and regula-*
22 *tions generally identified in the application for par-*
23 *ticipation in the program, except that the Secretary*
24 *may approve requests by an agency to waive compli-*
25 *ance with other statutes, regulations, and rules pursu-*

1 *ant to this Act, consistent with other program rules,*
2 *if the Secretary determines that such a request would*
3 *further the goals and objectives identified in the ap-*
4 *plication for participation in the program (taking*
5 *into consideration public and resident input pursu-*
6 *ant to the procedure under paragraph (4)) or would*
7 *further the purposes identified in subparagraphs (B)*
8 *and (C) of subsection (f)(1). Notwithstanding any*
9 *other provision of this section, families receiving as-*
10 *sistance under this section shall retain the same*
11 *rights of judicial review of agency action as they*
12 *would otherwise have had if the agency were not par-*
13 *ticipating in the program, and each participating*
14 *agency, including existing MTW agencies that are ap-*
15 *proved for transfer into the program pursuant to sub-*
16 *section (c), shall comply with the following provisions*
17 *of this Act:*

18 *“(A) Subsections (a)(2)(A) and (b)(1) of*
19 *section 16 (relating to targeting for new admis-*
20 *sions in the public housing and voucher pro-*
21 *grams).*

22 *“(B) Section 2(b) (relating to tenant rep-*
23 *resentatives on the public housing agency board*
24 *of directors).*

1 “(C) Section 3(b)(2) (relating to definitions
2 for the terms ‘low-income families’ and ‘very
3 low-income families’).

4 “(D) Section 5(A)(e) (relating to the forma-
5 tion of and consultation with a resident advisory
6 board).

7 “(E) Sections 6(f)(1) and 8(o)(8)(B) (relat-
8 ing to compliance of units assisted with housing
9 quality standards or other codes).

10 “(F) Sections 6(c)(3), 6(c)(4)(i), and
11 8(o)(6)(B) (relating to rights of public housing
12 applicants and existing procedural rights for ap-
13 plicants under section 8(o)).

14 “(G) Section 6(k) (relating to grievance
15 procedures for public housing tenants) and com-
16 parable procedural rights for families assisted
17 under section 8(o).

18 “(H) Section 6(l) (relating to public hous-
19 ing lease requirements), except that for units as-
20 sisted both with program funds and low-income
21 housing tax credits, the initial lease term may be
22 less than 12 months if required to conform lease
23 terms with such tax credit requirements.

24 “(I) Section 7 (relating to designation of
25 housing for elderly and disabled households), ex-

1 cept that a participating agency may make such
2 designations (at initial designation or upon re-
3 newal) for a term of up to 5 years if the agency
4 includes in its annual plan under paragraph
5 (11) an analysis of the impact of such designa-
6 tions on affected households and such designation
7 is subject to the program evaluation. Any par-
8 ticipating agency with a designated housing
9 plan that was approved under the moving to
10 work demonstration may continue to operate
11 under the terms of such plan for a term of 5
12 years (with an option to renew on the same
13 terms for an additional 5 years) if it includes in
14 its annual plan an analysis of the impact of
15 such designations on affected households and is
16 subject to evaluation under subsection (f).

17 “(J) Subparagraphs (C) through (E) of sec-
18 tion 8(o)(7) and section 8(o)(20) (relating to
19 lease requirements and eviction protections for
20 families assisted with tenant-based assistance).

21 “(K) Section 8(o)(13)(B) (relating to a per-
22 centage limitation on project-based assistance),
23 except that for purposes of this subparagraph
24 such section shall be applied by substituting ‘50
25 percent’ for ‘20 percent’, and all voucher funding

1 *that is used for non-tenant based assistance pur-*
2 *poses shall count towards this calculation.*

3 “(L) Section 8(o)(13)(E) (relating to resi-
4 *dent choice for tenants of units with project-*
5 *based vouchers), except with respect to—*

6 “(i) *in the case of agencies partici-*
7 *parting in the moving to work demonstra-*
8 *tion, any housing assistance payment con-*
9 *tract entered into before or within 2 years*
10 *after the enactment of this section;*

11 “(ii) *project-based vouchers that re-*
12 *place public housing units;*

13 “(iii) *not more than 10 percent of the*
14 *vouchers available to the participating*
15 *agency upon entering the housing innova-*
16 *tion program under this section; and*

17 “(iv) *any project-based voucher pro-*
18 *gram that is subject to evaluation under*
19 *subsection (f).*

20 *Notwithstanding the exceptions under this sub-*
21 *paragraph, an agency may not eliminate resi-*
22 *dent choice under section 8(o)(13)(E) for more*
23 *than 25 percent of its authorized vouchers.*

24 “(M) Section 8(r) (relating to portability of
25 *voucher assistance), except that a participating*

1 *agency may receive funding for portability obli-*
2 *gations under section 8(dd) in the same manner*
3 *as other public housing agencies.*

4 “(N) Sections 8(ee) and 6(u) (relating to
5 *records, certification and confidentiality regard-*
6 *ing domestic violence).*

7 “(O) Subsections (a) and (b) of section 12
8 *(relating to payment of prevailing wages).*

9 “(P) Section 18 (relating to demolition and
10 *disposition of public housing).*

11 “(Q) Requirements regarding—

12 “(i) establishment of resident councils
13 *and jurisdiction-wide resident organiza-*
14 *tions;*

15 “(ii) public housing agency support for
16 *such councils and organizations; and*

17 “(iii) involvement of such councils and
18 *organizations in public housing agency op-*
19 *erations;.*

20 *as authorized under sections 3(c)(2), 6(c)(5)(C),*
21 *and 9(e) and implemented by applicable regula-*
22 *tions.*

23 “(4) RENTS AND REQUIREMENTS FOR CONTIN-
24 *UED OCCUPANCY OR PARTICIPATION.—*

1 “(A) *BEFORE POLICY CHANGE.*—*Before*
2 *adopting any policy pursuant to participation*
3 *in the housing innovation program under this*
4 *section that would make a material adverse*
5 *change to the requirements of this Act regarding*
6 *tenant rents or contributions, or conditions of*
7 *continued occupancy or participation, a partici-*
8 *parting agency shall complete each of the fol-*
9 *lowing actions:*

10 “(i) *The agency shall conduct an im-*
11 *portant analysis of the proposed policy on fam-*
12 *ilies the agency is assisting under the pro-*
13 *gram under this section and on applicants*
14 *on the waiting list, including analysis of*
15 *the incidence and severity of rent burdens*
16 *greater than 30 percent of adjusted income*
17 *on households of various sizes and types and*
18 *in various income tiers, that would result,*
19 *if any, without application of the hardship*
20 *provisions. The analysis with respect to ap-*
21 *plicants on the waiting list may be limited*
22 *to demographic data provided by the appli-*
23 *cable consolidated plan, information pro-*
24 *vided by the Secretary, and other generally*
25 *available information. The proposed policy,*

1 including provisions for addressing hard-
2 ship cases and transition provisions that
3 mitigate the impact of any rent increases or
4 changes in the conditions of continued occu-
5 pancy or participation, and data from this
6 analysis shall be made available for public
7 inspection and copying, on request, and for
8 access through the Internet, for at least 60
9 days in advance of the public meeting de-
10 scribed in clause (ii).

11 “(ii) The agency shall hold a public
12 meeting regarding the proposed change, in-
13 cluding the hardship provisions, which may
14 be combined with a public meeting on the
15 draft annual plan under paragraph (11) or
16 the annual report under subsection (h)(2).

17 “(iii) The board of directors or other
18 similar governing body of the agency shall
19 approve the change in public session.

20 “(iv) The agency shall obtain approval
21 from the Secretary of the annual plan or
22 plan amendment. The Secretary may ap-
23 prove a plan or amendment containing a
24 material change to the requirements of this
25 Act regarding tenant rents or contributions,

1 *or conditions of continued occupancy or*
2 *participation, only if the agency agrees that*
3 *such policy may be included as part of the*
4 *national evaluation.*

5 “(B) *AFTER POLICY CHANGE.*—*After adopt-*
6 *ing a policy described in subparagraph (A), a*
7 *program agency shall complete each of the fol-*
8 *lowing actions:*

9 “(i) *The agency shall provide adequate*
10 *notice to residents, which shall include a de-*
11 *scription of the changes in the public hous-*
12 *ing lease or participation agreement that*
13 *may be required and of the hardship or*
14 *transition protections offered.*

15 “(ii) *In the case of any additional re-*
16 *quirements for continued occupancy or par-*
17 *ticipation, the agency shall execute a lease*
18 *addendum or participation agreement*
19 *specifying the requirements applicable to*
20 *both the resident and the agency. A resident*
21 *may bring a civil action to enforce commit-*
22 *ments of the agency made through the lease*
23 *addendum or participation agreement.*

24 “(iii) *The agency shall reassess rent,*
25 *subsidy level, and policies on program par-*

1 *ticipation no less often than every two*
2 *years, which shall include preparing a re-*
3 *vised impact analysis, and make available*
4 *for public inspection and copying, on re-*
5 *quest, and for access through the Internet,*
6 *the results of such reassessment and impact*
7 *analysis. The requirement under this clause*
8 *may be met by sufficiently detailed interim*
9 *reports, if any, by the national evaluating*
10 *entity.*

11 *“(iv) The agency shall include in the*
12 *annual report under subsection (h)(2) infor-*
13 *mation sufficient to describe any hardship*
14 *requests, including the number and types of*
15 *requests made, granted, and denied, the use*
16 *of transition rules, and adverse impacts re-*
17 *sulting from changes in rent or continued*
18 *occupancy policies, including actions taken*
19 *by the agency to mitigate such impacts and*
20 *impacts on families no longer assisted*
21 *under the program.*

22 *“(C) APPLICABILITY TO EXISTING MTW*
23 *AGENCIES.—An existing MTW agency that, be-*
24 *fore the date of the enactment of this section, im-*
25 *plemented material changes to the requirements*

1 *of this Act regarding tenant rents or contribu-*
2 *tions, or conditions of continued occupancy or*
3 *participation, as part of the moving to work*
4 *demonstration shall not be subject to subpara-*
5 *graph (A) with regard to such previously imple-*
6 *mented changes, but shall comply with the re-*
7 *quirements of subparagraph (B)(ii) and provide*
8 *the evaluation and impact analysis required by*
9 *subparagraph (B)(iii) by the end of the second*
10 *agency fiscal year ending after such date of en-*
11 *actment.*

12 “(5) *PROHIBITION AGAINST DECREASE IN PRO-*
13 *GRAM FUNDS.—The amount of program funds a par-*
14 *ticipating agency receives shall not be diminished by*
15 *its participation in the housing innovation program*
16 *under this section.*

17 “(6) *RENT BURDEN.—A participating agency*
18 *may not adopt rent policies that result in families*
19 *making substantially higher rent payments than*
20 *would customarily be made by families of comparable*
21 *income under the program under which assistance is*
22 *provided.*

23 “(7) *TIME LIMITS.—A participating agency may*
24 *implement time limits on the term of housing assist-*
25 *ance received by families under the program only if—*

1 “(A) such limits are for a period of time
2 not shorter than 5 years; and

3 “(B) enforcement of such limits is sus-
4 pended for any period of time during which the
5 unemployment rate in the area exceeds 10 per-
6 cent.

7 “(8) *EMPLOYMENT CONDITIONS.*—A partici-
8 pating agency may condition the receipt of housing
9 assistance by families under the program on require-
10 ments relating to the employment status or related ac-
11 tivities of one or more family members only if—

12 “(A) such requirements are consistent with
13 the program for block grants to States for tem-
14 porary assistance for needy families under part
15 A of title IV of the Social Security Act;

16 “(B) the agency establishes reasonable hard-
17 ship exemptions; and

18 “(C) enforcement of such requirements is
19 suspended for any period of time during which
20 the unemployment rate in the area exceeds 10
21 percent.

22 “(9) *SUBMISSION OF INFORMATION.*—As part of
23 the annual report required under subsection (h)(2),
24 each participating agency shall submit information
25 annually to the Secretary regarding families assisted

1 *under the program of the agency and comply with*
2 *any other data submissions required by the Secretary*
3 *for purposes of evaluation of the program under this*
4 *section.*

5 *“(10) PUBLIC AND RESIDENT PARTICIPATION.—*
6 *Each participating agency shall provide opportuni-*
7 *ties for resident and public participation in the an-*
8 *nual plan under paragraph (11), as follows:*

9 *“(A) NOTICE TO RESIDENTS.—*

10 *“(i) NOTICE.—Each year, the agency*
11 *shall provide notice to the low-income fami-*
12 *lies it serves under the programs authorized*
13 *by this section as to the impact of proposed*
14 *policy changes and program initiatives and*
15 *of the schedule of resident advisory board*
16 *and public meetings for the annual plan.*

17 *“(ii) MEETING.—The agency shall hold*
18 *at least one meeting with the resident advi-*
19 *sory board (including representatives of re-*
20 *cipients of assistance under section 8) to re-*
21 *view the annual plan for each year.*

22 *“(B) PUBLIC MEETING.—With respect to*
23 *each annual plan, the agency shall hold at least*
24 *one annual public meeting to obtain comments*
25 *on the plan, which may be combined with a*

1 *meeting to review the annual report. In the case*
2 *of any agency that administers, in the aggregate,*
3 *more than 15,000 public housing units and*
4 *vouchers, or that operates in more than one*
5 *county, the agency shall hold additional meetings*
6 *in locations that promote attendance by residents*
7 *and other stakeholders.*

8 “(C) *PUBLIC AVAILABILITY.*—*Before adop-*
9 *tion of any annual plan, and not less than 30*
10 *days before the public meeting required under*
11 *subparagraph (A)(ii) with respect to the plan,*
12 *the agency shall make the proposed annual plan*
13 *available for public inspection and copying, on*
14 *request, and for access through the Internet. The*
15 *annual plan shall be made available for public*
16 *inspection not less than 30 days before approval*
17 *by the board of directors (or other similar gov-*
18 *erning body) of the agency and shall remain*
19 *publicly available.*

20 “(D) *BOARD APPROVAL.*—*Before submitting*
21 *an annual plan or annual report to the Sec-*
22 *retary, the plan or report, as applicable, shall be*
23 *approved in a public meeting by the board of di-*
24 *rectors or other governing body of the agency.*

25 “(11) *ANNUAL PLAN.*—

1 “(A) *REQUIREMENT.*—*For each year that a*
2 *participating agency participates in the housing*
3 *innovation program under this section, the agen-*
4 *cy shall submit to the Secretary, in lieu of all*
5 *other planning requirements, an annual plan*
6 *under this paragraph.*

7 “(B) *CONTENTS.*—*Each annual plan shall*
8 *include the following information:*

9 “(i) *A list and description of all pro-*
10 *gram initiatives and generally applicable*
11 *policy changes, including references to af-*
12 *fected provisions of law or the implementing*
13 *regulations affected.*

14 “(ii) *A description and comparison of*
15 *changes under the housing innovation pro-*
16 *gram of the agency from the plan for such*
17 *program for the preceding year.*

18 “(iii) *A description of property rede-*
19 *velopment or portfolio repositioning strate-*
20 *gies and proposed changes in policies or*
21 *uses of funds required to implement such*
22 *strategies.*

23 “(iv) *Documentation of public and*
24 *resident participation sufficient to comply*
25 *with the requirements under paragraphs (4)*

1 *and (10), including a copy of any rec-*
2 *ommendations submitted in writing by the*
3 *resident advisory board of the agency and*
4 *members of the public, a summary of com-*
5 *ments, and a description of the manner in*
6 *which the recommendations were addressed.*

7 “(v) *Certifications by the agency*
8 *that—*

9 “(I) *the annual plan will be car-*
10 *ried out in conformity with title VI of*
11 *the Civil Rights Act of 1964, the Fair*
12 *Housing Act, section 504 of the Reha-*
13 *bilitation Act of 1973, title II of the*
14 *Americans with Disabilities Act of*
15 *1990, and the rules, standards, and*
16 *policies in the approved plan;*

17 “(II) *the agency will affirmatively*
18 *further fair housing; and*

19 “(III) *the agency has complied*
20 *and will continue to comply with its*
21 *obligations under the national evalua-*
22 *tion.*

23 “(vi) *A description of the agency’s*
24 *local asset management strategy for public*
25 *housing properties, which shall be in lieu of*

1 *any other asset management, project based*
2 *management or accounting, or other system*
3 *of allocating resources and costs to partici-*
4 *parting agency assets or cost centers that the*
5 *Secretary may otherwise impose under this*
6 *Act.*

7 “(C) *CHANGES.*—*If the agency proposes to*
8 *make material changes in policies or initiatives*
9 *in the plan during the year covered by the plan,*
10 *the agency shall consult with the resident advi-*
11 *sory board for the agency established pursuant to*
12 *section 5A(e) and the public regarding such*
13 *changes before their adoption.*

14 “(D) *APPROVAL PROCESS.*—

15 “(i) *TIMING.*—*The Secretary shall re-*
16 *view and approve or disapprove each an-*
17 *nuual plan submitted to the Secretary within*
18 *45 days after such submission. The Sec-*
19 *retary, directly or through the public hous-*
20 *ing agency, shall make information relating*
21 *to such approval or disapproval available to*
22 *all members of the Resident Advisory Board*
23 *of the public housing agency.*

1 “(ii) *STANDARDS FOR DISAPPROVAL.*—
2 *The Secretary may disapprove a plan only*
3 *if—*

4 “(I) *the Secretary reasonably de-*
5 *termines, based on information con-*
6 *tained in the annual plan or annual*
7 *report, that the agency is not in com-*
8 *pliance with the requirements of this*
9 *section;*

10 “(II) *the annual plan or most re-*
11 *cent annual report is not consistent*
12 *with other reliable information avail-*
13 *able to the Secretary; or*

14 “(III) *the annual plan or annual*
15 *report or the agency’s activities under*
16 *the program are not otherwise in ac-*
17 *cordance with applicable law.*

18 “(iii) *FAILURE TO DISAPPROVE.*—*If a*
19 *submitted plan is not disapproved within*
20 *45 days after submission, the plan shall be*
21 *considered to be approved for purposes of*
22 *this section. The preceding sentence shall*
23 *not preclude judicial review regarding such*
24 *compliance pursuant to chapter 7 of title 5,*
25 *United States Code, or an action regarding*

1 *such compliance under section 1979 of the*
2 *Revised Statutes of the United States (42*
3 *U.S.C. 1983).*

4 “(f) *EVALUATION OF PERFORMANCE.*—

5 “(1) *IN GENERAL.*—*The Secretary shall conduct*
6 *detailed evaluations of all public housing agencies*
7 *participating in the program under this section—*

8 “(A) *to determine the level of success of each*
9 *public housing agency in achieving the goals and*
10 *objectives of the application to participate in the*
11 *program;*

12 “(B) *to determine the level of success of dif-*
13 *ferent types of proposals in achieving the pri-*
14 *ority strategies of subsection (d)(2) or other in-*
15 *novative strategies identified pursuant to sub-*
16 *section (b)(1); and*

17 “(C) *to identify program models that can be*
18 *replicated by other agencies to achieve such suc-*
19 *cess.*

20 “(2) *EVALUATION METHODOLOGY.*—*Evaluations*
21 *under this subsection shall be conducted utilizing rig-*
22 *orous research methodology which shall incorporate,*
23 *where appropriate and to the extent funding is avail-*
24 *able, the following:*

1 “(A) Comparison of the impact on families
2 to similar types of families not subject to such
3 policies.

4 “(B) Comparisons of alternative strategies
5 for advancing common goals.

6 “(C) An examination of the costs, outputs,
7 and outcomes of tested strategies.

8 “(D) A process evaluation that examines the
9 challenges faced in implementing tested strategies
10 and how those challenges were overcome.

11 “(E) A qualitative examination of the im-
12 pacts of tested strategies on affected families, in-
13 cluding families on agency waiting lists.

14 “(F) An examination of the impact of tested
15 strategies on the housing needs and conditions of
16 the jurisdiction in which the agency works.

17 “(G) Appropriate sensitivity to the costs
18 that evaluation places on participating agencies,
19 including a recognition that smaller agencies
20 may have more difficulty than larger agencies in
21 responding to data requests.

22 “(3) ADVISORY COUNCIL.—The Secretary shall
23 establish an Advisory Council to provide input on the
24 policies and strategies to be tested in evaluations
25 under this subsection, data collection protocols, and

1 *other matters related to the success of the evaluation,*
2 *and to assist the evaluating entity and the Secretary*
3 *in interpreting the findings and formulating rec-*
4 *ommendations to the Congress to be included in the*
5 *final report. The Secretary may also establish a sepa-*
6 *rate Technical Advisory Group to provide input on*
7 *technical issues associated with the evaluation.*

8 *“(4) REPORTS.—*

9 *“(A) IN GENERAL.—The Secretary shall*
10 *submit three reports to the Congress, as provided*
11 *in subparagraph (B), evaluating the programs of*
12 *all public housing agencies participating in the*
13 *program under this section and all agencies par-*
14 *ticipating in the moving to work demonstration.*
15 *Each such report shall include findings and rec-*
16 *ommendations for any appropriate legislative*
17 *action.*

18 *“(B) TIMING.—The reports under this para-*
19 *graph shall include—*

20 *“(i) an initial report, which shall be*
21 *submitted before the expiration of the 2-year*
22 *period beginning on the date on which ad-*
23 *ditional agencies are approved for partici-*
24 *pation pursuant to subsection (d);*

1 “(ii) an interim report, which shall be
2 submitted before the expiration of the 4-year
3 period beginning on such date of approval;
4 and

5 “(iii) a final report, which shall be
6 submitted before the expiration of the 10-
7 year period beginning on the date of the en-
8 actment of the Section 8 Voucher Reform
9 Act of 2009.

10 “(5) *EVALUATING ENTITY.*—The Secretary may
11 contract out the responsibilities under this para-
12 graphs (1) and (2) to an independent entity that is
13 qualified to perform such responsibilities.

14 “(6) *PERFORMANCE MEASURES.*—The Secretary
15 or the evaluating entity, as applicable, shall establish
16 performance measures, which may include—

17 “(A) a baseline performance level against
18 which program activities may be evaluated; and

19 “(B) performance measures for each of the
20 five purposes identified in paragraphs (1)
21 through (5) of subsection (a).

22 “(g) *IMPACT OF POLICY ON FAMILIES BEING AS-*
23 *SISTED.*—

24 “(1) *MODIFICATION OF POLICY.*—If an evalua-
25 tion of an agency pursuant to subsection (f)(1)(A) in-

1 *cludes evidence that a policy adopted by an agency is*
2 *or has been harmful to families assisted by the agen-*
3 *cy, the Secretary may, after the publication of either*
4 *the initial or the interim report pursuant to sub-*
5 *section (f)(4)(B), require such agency to take appro-*
6 *priate actions to modify such policy to ameliorate*
7 *such harm.*

8 “(2) *DETERMINATION.*—*The Secretary may not*
9 *take such action unless the Secretary has made a de-*
10 *termination that such policy is causing or has caused*
11 *measurable harm to families currently or previously*
12 *assisted, based on a reduction in the overall number*
13 *of families receiving housing assistance, noncompli-*
14 *ance with the provision of subsection (e)(6) (relating*
15 *to rent burdens), specific types of families losing their*
16 *housing assistance, a reduction in the number of af-*
17 *fordable rental housing units operated by the agency,*
18 *noncompliance with the requirements of subsection*
19 *(e)(3)(A) (relating to targeting), or a combination of*
20 *such factors.*

21 “(3) *ADVICE AND OPPORTUNITY TO CONTEST.*—
22 *Before taking such action, the Secretary shall advise*
23 *the agency and give the agency a fair opportunity to*
24 *contest such determination or action. If an agency*
25 *contests such a determination or action, the Secretary*

1 *shall provide an opportunity for interested parties to*
2 *submit additional relevant evidence.*

3 “(h) *RECORDKEEPING, REPORTS, AND AUDITS.*—

4 “(1) *RECORDKEEPING.*—*Each public housing*
5 *agency participating in the program under this sec-*
6 *tion shall keep such records as the Secretary may pre-*
7 *scribe as reasonably necessary to disclose the amounts*
8 *and the disposition of amounts under the program, to*
9 *ensure compliance with the requirements of this sec-*
10 *tion, and to measure performance.*

11 “(2) *REPORTS.*—*In lieu of all other reporting re-*
12 *quirements, each such agency participating in the*
13 *program shall submit to the Secretary an annual re-*
14 *port in a form and at a time specified by the Sec-*
15 *retary. Each annual report shall include the following*
16 *information:*

17 “(A) *A description, including an annual*
18 *consolidated financial report, of the sources and*
19 *uses of funds of the agency under the program,*
20 *which shall account separately for funds made*
21 *available under section 8 and subsections (d)*
22 *and (e) of section 9, and shall compare the agen-*
23 *cy’s actions under the program with its annual*
24 *plan for the year.*

1 “(B) *An annual audit that complies with*
2 *the requirements of Circular A–133 of the Office*
3 *of Management and Budget, including the OMB*
4 *Compliance Supplement.*

5 “(C) *A description of each hardship excep-*
6 *tion requested and granted or denied, and of the*
7 *use of any transition rules.*

8 “(D) *Documentation of public and resident*
9 *participation sufficient to comply with the re-*
10 *quirements under paragraph (7).*

11 “(E) *A comparison of income and the sizes*
12 *and types of families assisted by the agency*
13 *under the program compared to those assisted by*
14 *the agency in the base year.*

15 “(F) *Every two years, an evaluation of rent*
16 *policies, subsidy level policies, and policies on*
17 *program participation.*

18 “(G) *A description of any ongoing local*
19 *evaluations and the results of any local evalua-*
20 *tions completed during the year.*

21 “(3) *ACCESS TO DOCUMENTS BY SECRETARY.—*
22 *The Secretary shall have access for the purpose of*
23 *audit and examination to any books, documents, pa-*
24 *pers, and records that are pertinent to assistance in*
25 *connection with, and the requirements of, this section.*

1 “(4) *ACCESS TO DOCUMENTS BY THE COMP-*
2 *TROLLER GENERAL.—The Comptroller General of the*
3 *United States, or any of the duly authorized rep-*
4 *resentatives of the Comptroller General, shall have ac-*
5 *cess for the purpose of audit and examination to any*
6 *books, documents, papers, and records that are perti-*
7 *nent to assistance in connection with, and the re-*
8 *quirements of, this section.*

9 “(5) *REPORTS REGARDING EVALUATIONS.—The*
10 *Secretary shall require each public housing agency*
11 *participating in the program under this section to*
12 *submit to the Secretary such information as the Sec-*
13 *retary considers appropriate to permit the Secretary*
14 *to evaluate (pursuant to subsection (f)) the perform-*
15 *ance and success of the agency in achieving the pur-*
16 *poses of the program.*

17 “(i) *ADDITIONAL PROGRAM AGENCIES.—In partici-*
18 *pating in the program under the terms of this subsection,*
19 *the public housing agencies designated for such participa-*
20 *tion shall be subject to the requirements of this section, and*
21 *the additional following requirements:*

22 “(1) *APPLICABILITY OF CERTAIN EXISTING PRO-*
23 *VISIONS.—Such agencies shall be subject to the provi-*
24 *sions of—*

1 “(A) subsections (a) and (b) of section 3;
2 and

3 “(B) section 8(o), except for paragraph (11)
4 and except as the requirements of section 8(o)
5 are modified by subsection (e)(3) of this section.

6 “(2) NO TIME LIMITS.—Such agencies may not
7 impose time limits on the term of housing assistance
8 received by families under the program.

9 “(3) NO EMPLOYMENT CONDITIONS.—Such agen-
10 cies may not condition the receipt of housing assist-
11 ance by families under the program on the employ-
12 ment status of one or more family members.

13 “(4) ONE-FOR-ONE REPLACEMENT.—

14 “(A) CONDITIONS ON DEMOLITION.—Such
15 agencies may not demolish or dispose of any
16 dwelling unit of public housing operated or ad-
17 ministered by such agency (including any un-
18 inhabitable unit and any unit previously ap-
19 proved for demolition) except pursuant to a plan
20 for replacement of such units in accordance with,
21 and approved by the Secretary of Housing and
22 Urban Development pursuant to, subparagraph
23 (B).

24 “(B) PLAN REQUIREMENTS.—The Secretary
25 may not approve a plan that provides for demo-

1 *lition or disposition of any dwelling unit of pub-*
2 *lic housing referred to in subparagraph (A) un-*
3 *less—*

4 “(i) *such plan provides for outreach to*
5 *public housing agency residents in accord-*
6 *ance with paragraph (5);*

7 “(ii) *not later than 60 days before the*
8 *date of the approval of such plan, such*
9 *agency has convened and conducted a public*
10 *hearing regarding the demolition or dispo-*
11 *sition proposed in the plan;*

12 “(iii) *such plan provides that for each*
13 *such dwelling unit demolished or disposed*
14 *of, such public housing agency will provide*
15 *an additional dwelling unit through—*

16 “(I) *the acquisition or develop-*
17 *ment of additional public housing*
18 *dwelling units; or*

19 “(II) *the acquisition, development,*
20 *or contracting (including through*
21 *project-based assistance) of additional*
22 *dwelling units that are subject to re-*
23 *quirements regarding eligibility for*
24 *initial or continued occupancy, tenant*
25 *contribution toward rent, and long-*

1 *term affordability restrictions which*
2 *are comparable to public housing*
3 *units, except that no household may be*
4 *prevented from occupying a replace-*
5 *ment dwelling unit provided pursuant*
6 *to clause (iii) except to the extent spe-*
7 *cifically provided by any other provi-*
8 *sion of Federal law (including subtitle*
9 *F of title V of the Quality Housing*
10 *and Work Responsibility Act of 1998*
11 *(42 U.S.C. 13661 et seq.; relating to*
12 *safety and security in public and as-*
13 *sisted housing, subtitle D of title VI of*
14 *the Housing and Community Develop-*
15 *ment Act of 1992 (42 U.S.C. 13611 et*
16 *seq.; relating to preferences for elderly*
17 *and disabled residents), and section*
18 *16(f) of this Act (42 U.S.C. 1437n(f));*
19 *relating to ineligibility of persons con-*
20 *victed of methamphetamine offenses);*
21 *“(iv) such plan provides for a right,*
22 *and implementation of such right, to occu-*
23 *pancy of additional dwelling units provided*
24 *in accordance with clause (iii), for house-*
25 *holds who, as of the time that dwelling*

1 *units demolished or disposed of were va-*
2 *cated to provide for such demolition or dis-*
3 *position, were occupying such dwelling*
4 *units;*

5 *“(v) such plan provides that the pro-*
6 *posed demolition or disposition and reloca-*
7 *tion will be carried out in a manner that*
8 *affirmatively furthers fair housing, as de-*
9 *scribed in subsection (e) of section 808 of*
10 *the Civil Rights Act of 1968;*

11 *“(vi) such plan provides for a mixed-*
12 *income development on the site of the origi-*
13 *nal public housing, with at least one-third*
14 *of all dwelling units being provided through*
15 *the development of additional public hous-*
16 *ing dwelling units, except that upon a*
17 *showing by the agency, if the Secretary de-*
18 *termines that such location is infeasible, an*
19 *agency may locate such a development in*
20 *areas within the jurisdiction of the agency*
21 *having low concentrations of poverty; and*

22 *“(vii) to the extent that such plan pro-*
23 *vides for the provision of replacement or ad-*
24 *ditional dwelling units, or redevelopment,*
25 *in phases over time, such plan provides that*

1 *the ratio of dwelling units described in sub-*
2 *clauses (I) and (II) of clause (iii) that are*
3 *provided in any such single phase to the*
4 *total number of dwelling units provided in*
5 *such phase is not less than the ratio of the*
6 *aggregate number of such dwelling units*
7 *provided under the plan to the total number*
8 *of dwelling units provided under the plan.*

9 “(C) *INAPPLICABLE PROVISIONS.*—*Subpara-*
10 *graphs (B) and (D) of section 8(o)(13) of the*
11 *United States Housing Act of 1937 (42 U.S.C.*
12 *1437f(o)(13)) shall not apply with respect to*
13 *vouchers used to comply with the requirements of*
14 *subparagraph (B)(iii) of this paragraph.*

15 “(D) *MONITORING.*—*The Secretary shall*
16 *provide for the appropriate field offices of the*
17 *Department to monitor and supervise the en-*
18 *forcement of this paragraph and plans approved*
19 *under this paragraph and to consult, regarding*
20 *such monitoring and enforcement, with resident*
21 *councils of, and resident of public housing oper-*
22 *ated or administered by, the agency.*

23 “(5) *COMPREHENSIVE OUTREACH PLAN.*—*No*
24 *program funds of such agencies may be use to demol-*
25 *ish or dispose of any public housing dwelling units*

1 *except in accordance with a comprehensive outreach*
2 *plan for such activities, developed by the agency in*
3 *conjunction with the residents of the public housing*
4 *agency, as follows:*

5 “(A) *The plan shall be developed by the*
6 *agency and a resident task force, which may in-*
7 *clude members of the Resident Council, but may*
8 *not be limited to such members, and which shall*
9 *represent all segments of the population of resi-*
10 *dents of the agency, including single parent-*
11 *headed households, the elderly, young employed*
12 *and unemployed adults, teenage youth, and dis-*
13 *abled persons.*

14 “(B) *The votes and agreements regarding*
15 *the plan shall involve—*

16 “(i) *in the case of any public housing*
17 *agency that administers 250 or fewer public*
18 *housing dwelling units, not less than 10*
19 *percent of affected residents; and*

20 “(ii) *in the case of any public housing*
21 *agency that administers more than 250*
22 *public housing dwelling units, not less than*
23 *25 affected residents.*

24 “(C) *The plan shall provide for and describe*
25 *outreach efforts to inform residents of the pro-*

1 *gram under this subsection, including a door-to-*
2 *door information program, monthly newsletters*
3 *to each resident household, monthly meetings*
4 *dedicated solely to every aspect of the proposed*
5 *development, including redevelopment factors,*
6 *which shall include the one-for-one replacement*
7 *requirement under paragraph (4), resident rights*
8 *to return, the requirements of the program under*
9 *this subsection, new resident support and com-*
10 *munity services to be provided, opportunities for*
11 *participation in architectural design, and em-*
12 *ployment opportunities for residents, which shall*
13 *make available at least 30 percent of the total*
14 *hours worked at all such employment, and shall*
15 *also make available at least 25 percent of un-*
16 *skilled jobs in demolition activities and 25 per-*
17 *cent of unskilled jobs in construction activities*
18 *related to the redevelopment project, including*
19 *job training, apprenticeships, union membership*
20 *assistance.*

21 *“(D) The plan shall provide for regularly*
22 *scheduled monthly meeting updates and a system*
23 *for filing complaints about any aspect of the re-*
24 *development process.*

1 “(j) *DEFINITIONS.*—*For purposes of this section, the*
2 *following definitions shall apply:*

3 “(1) *EXISTING MTW AGENCY.*—*The term ‘existing*
4 *MTW agency’ means a public housing agency that as*
5 *of the date of the enactment of the Section 8 Voucher*
6 *Reform Act of 2009 has an existing agreement with*
7 *the Secretary pursuant to the moving to work dem-*
8 *onstration, or is authorized to enter into such an*
9 *agreement under section 230 of the Transportation,*
10 *Housing and Urban Development, and Related Agen-*
11 *cies Appropriations Act, 2008 (Public Law 110–161;*
12 *121 Stat. 2438) or section 236 of the Transportation,*
13 *Housing and Urban Development, and Related Agen-*
14 *cies Appropriations Act, 2009 (Division I of Public*
15 *Law 111–8).*

16 “(2) *BASE YEAR.*—*The term ‘base year’ means,*
17 *with respect to a participating agency, the agency fis-*
18 *cal year or calendar year, as appropriate, most re-*
19 *cently completed prior to selection and approval for*
20 *participation in the housing innovation program*
21 *under this section.*

22 “(3) *MOVING TO WORK DEMONSTRATION.*—*The*
23 *term ‘moving to work demonstration’ means the mov-*
24 *ing to work demonstration program under section 204*
25 *of the Departments of Veterans Affairs and Housing*

1 *and Urban Development, and Independent Agencies*
2 *Appropriations Act, 1996 (42 U.S.C. 1437f note).*

3 “(4) *PARTICIPATING AGENCIES.*—*The term ‘part-*
4 *icipating agencies’ means public housing agencies*
5 *designated and approved for participation, and par-*
6 *ticipating, in the housing innovation program under*
7 *this section.*

8 “(5) *PROGRAM FUNDS.*—*The term ‘program*
9 *funds’ means, with respect to a participating agency,*
10 *any amounts that the agency is authorized, pursuant*
11 *to subsection (e)(1), to use to carry out the housing*
12 *innovation program under this section of the agency.*

13 “(6) *RESIDENTS.*—*The term ‘residents’ means,*
14 *with respect to a public housing agency, tenants of*
15 *public housing of the agency and participants in the*
16 *voucher or other housing assistance programs of the*
17 *agency funded under section 8(o), or tenants of other*
18 *units owned by the agency and assisted under this*
19 *section.*

20 “(k) *RESIDENT TECHNICAL ASSISTANCE.*—

21 “(1) *AUTHORIZATION OF APPROPRIATIONS.*—
22 *There is authorized to be appropriated for each of fis-*
23 *cal years 2010 through 2014 \$10,000,000, for pro-*
24 *viding capacity building and technical assistance to*
25 *enhance the capabilities of low-income families as-*

1 *sisted or eligible for assistance under the program*
2 *under this section to participate in the process for es-*
3 *tablishment and revision of annual plans under this*
4 *section for participating agencies, including review*
5 *and comment on impact analyses and demolition or*
6 *disposition proposals.*

7 “(2) *CRITERIA FOR AWARD OF FUNDS.—The Sec-*
8 *retary shall publish the criteria to be used to award*
9 *funds on a competitive basis, in an amount appro-*
10 *prate to the number of households affected by the pro-*
11 *gram of the participating agency or agencies that*
12 *such participating agency assists, to local, regional,*
13 *State, or national organizations that—*

14 “(A)(i) *have members who are predomi-*
15 *nantly low-income;*

16 “(ii) *have low-income individuals on their*
17 *boards of directors; or*

18 “(iii) *directly work with or represent low-*
19 *income individuals;*

20 “(B) *have the legal, policy, and development*
21 *expertise to provide such assistance or will sub-*
22 *contract for such services; and*

23 “(C) *have a demonstrated capacity to man-*
24 *age similar grants.*

25 “(3) *PUBLIC HOUSING AGENCIES.—*

1 “(A) *INELIGIBILITY; NONLIABILITY.*—Public
2 *housing agencies shall not be eligible to receive*
3 *funds under this subsection, and shall not be lia-*
4 *ble for the action of any grantee.*

5 “(B) *COOPERATION WITH GRANTEES.*—Pub-
6 *lic housing agencies participating in the pro-*
7 *gram under this section shall cooperate with*
8 *grantees receiving technical assistance funds*
9 *under this subsection, to assist such grantees to*
10 *reach families assisted under the program.*

11 “(l) *AUTHORIZATION OF APPROPRIATIONS FOR EVAL-*
12 *UATIONS.*—*There is authorized to be appropriated*
13 *\$15,000,000 to the Department of Housing and Urban De-*
14 *velopment for the purpose of conducting the evaluations re-*
15 *quired under subsection (f)(1).”.*

16 “(b) *GAO REPORT.*—*Not later than 48 months after the*
17 *date of the enactment of this Act, the Comptroller General*
18 *of the United States shall submit a report to the Congress*
19 *on the extent to which the public housing agencies partici-*
20 *pating in the housing innovation program under section*
21 *37 of the United States Housing Act of 1937 are meeting*
22 *the goals and purposes of such program, as identified in*
23 *subsection (a) of such section 37.*

1 **SEC. 27. STUDY OF USE OF INCOME DATABASES TO REDUCE**
2 **SUBSIDY ERRORS.**

3 *The Comptroller General of the United States shall*
4 *conduct a study to identify databases regarding incomes of*
5 *families and individuals that may be used in connection*
6 *with the voucher program for rental assistance under sec-*
7 *tion 8(o) of the United States Housing Act of 1937 (42*
8 *U.S.C. 1437f(o)), the public housing program under such*
9 *Act, and project-based rental assistance programs under*
10 *section 8 of such Act to reduce errors in subsidy amounts*
11 *provided on behalf of recipients of assistance under such*
12 *programs and to determine how best to utilize such data-*
13 *bases for such purpose. In conducting such study, the Comp-*
14 *troller General shall analyze and consider the use of income*
15 *information maintained in the National Directory of New*
16 *Hires database of the Department of Health and Human*
17 *Services. Not later than the expiration of the 9-month pe-*
18 *riod beginning on the date of the enactment of this Act,*
19 *the Comptroller General shall submit a report to the Con-*
20 *gress setting for the results and conclusions of the study*
21 *under this section.*

22 **SEC. 28. ACCEPTABLE IDENTIFICATION REQUIREMENT.**

23 *(a) IN GENERAL.—Rental housing assistance under*
24 *section 8(o) of the United States Housing Act of 1937 may*
25 *not be provided on behalf of any individual or household*
26 *unless the individual provides, or, in the case of a house-*

1 *hold, all adult members of the household provide, valid per-*
2 *sonal identification in one of the following forms:*

3 (1) *Social security card with photo identification*
4 *card or Real ID Act identification.—*

5 (A) *A social security card accompanied by*
6 *a photo identification card issued by the Federal*
7 *Government or a State Government; or*

8 (B) *A driver's license or identification card*
9 *issued by a State in the case of a State that is*
10 *in compliance with title II of the REAL ID Act*
11 *of 2005 (title II of division B of Public Law*
12 *109–13; 49 U.S.C. 30301 note).*

13 (2) *PASSPORT.—A passport issued by the United*
14 *States or a foreign government.*

15 (3) *USCIS PHOTO IDENTIFICATION CARD.—A*
16 *photo identification card issued by the Secretary of*
17 *Homeland Security (acting through the Director of*
18 *the United States Citizenship and Immigration Serv-*
19 *ices).*

20 (b) *REGULATIONS.—The Secretary of Housing and*
21 *Urban Development shall, by regulations issued before the*
22 *expiration of the period referred to in subsection (c), require*
23 *that each public housing agency or other entity admin-*
24 *istering rental housing assistance described in subsection*
25 *(a) take such actions as the Secretary considers necessary*

1 to ensure compliance with the requirements of subsection
2 (a).

3 (c) *EFFECTIVE DATE.*—The requirements of this sec-
4 tion shall take effect upon the expiration of the 6-month
5 period beginning upon the date of the enactment of this Act.

6 **SEC. 29. EFFECTIVE DATE.**

7 *Except as otherwise specifically provided in this Act—*

8 (1) *sections 3, 4, 6, and 7 of this Act and the*
9 *amendments made by such sections shall take effect on*
10 *January 1, 2010, except that the Secretary may delay*
11 *such effective date for any one or more of sections 3,*
12 *4, and 7 to January 1, 2011, upon a determination*
13 *by the Secretary that such extension is necessary to*
14 *provide program participants sufficient time to make*
15 *adjustments to the changes made by such sections;*
16 *and*

17 (2) *all other provisions of this Act and the*
18 *amendments made by this Act shall take effect upon*
19 *the issuance by the Secretary of implementing regula-*
20 *tions, as appropriate, or by notice, which shall be*
21 *issued not later than the expiration of the 12-month*
22 *period beginning upon the date of the enactment of*
23 *this Act.*

Union Calendar No. 157

111TH CONGRESS
1ST Session

H. R. 3045

[Report No. 111-277]

A BILL

To reform the housing choice voucher program under section 8 of the United States Housing Act of 1937.

SEPTEMBER 30, 2009

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed