

107TH CONGRESS
2^D SESSION

H. R. 4205

To authorize the Secretary of Housing and Urban Development to permit public housing agencies to transfer unused low-income rental assistance amounts for use under the HOME investment partnerships program or for activities eligible for assistance from the public housing Capital Fund.

IN THE HOUSE OF REPRESENTATIVES

APRIL 11, 2002

Mrs. MEEK of Florida introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To authorize the Secretary of Housing and Urban Development to permit public housing agencies to transfer unused low-income rental assistance amounts for use under the HOME investment partnerships program or for activities eligible for assistance from the public housing Capital Fund.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Affordable Housing
5 Improvements Act”.

1 **SEC. 2. PURPOSES.**

2 The purposes of this Act are—

3 (1) to ensure that amounts provided under the
4 section 8 rental assistance program for low-income
5 families for use in communities having affordable
6 housing needs can be fully used within such commu-
7 nities to benefit low-income families needing afford-
8 able housing;

9 (2) to provide flexibility in the use of unused
10 amounts made available under the section 8 tenant-
11 based rental assistance program so that amounts
12 made available to public housing agencies in jurisdic-
13 tions having insufficient numbers of affordable hous-
14 ing dwelling units to exhaust their section 8 funds
15 can be used under the HOME investment partner-
16 ships program, or for activities eligible for assistance
17 under the public housing Capital Fund;

18 (3) to provide for development of affordable
19 housing in communities needing such housing, with-
20 out supplanting existing appropriations for the sec-
21 tion 8 program; and

22 (4) to promote and facilitate quality and afford-
23 able housing for low-income families.

1 **SEC. 3. AUTHORITY TO TRANSFER UNUSED SECTION 8**
2 **RENTAL ASSISTANCE AMOUNTS.**

3 Section 8 of the United States Housing Act of 1937
4 (42 U.S.C. 1437f) is amended by adding at the end the
5 following new subsection:

6 “(ee) **TRANSFER OF UNUSED TENANT-BASED AS-**
7 **SISTANCE AMOUNTS FOR USE UNDER HOME AND PUB-**
8 **LIC HOUSING CAPITAL FUND PROGRAMS.—**

9 “(1) **AUTHORITY.—**In lieu of reallocating the
10 unused tenant-based assistance of a public housing
11 agency, the Secretary may authorize the agency to
12 transfer all or a portion of such assistance, as pro-
13 vided in this subsection only—

14 “(A) to the HOME Investment Trust
15 Fund for an applicable participating jurisdic-
16 tion of the agency for use only under section
17 212(a)(4) of the Cranston-Gonzalez National
18 Affordable Housing Act (42 U.S.C.
19 12742(a)(4)); or

20 “(B) for use for activities eligible for as-
21 sistance by such agency with amounts provided
22 from the Capital Fund under section 9(d).

23 “(2) **PERIOD OF USE.—**Any amounts trans-
24 ferred under this subsection shall be available for
25 use as provided in paragraph (1) only until the expi-
26 ration of the 18-month period beginning upon ap-

1 proval of the request under paragraph (2) for such
2 transfer.

3 “(3) REQUEST FOR TRANSFER.—The Secretary
4 may authorize transfer of unused tenant-based as-
5 sistance of a public housing agency pursuant to this
6 subsection only pursuant to a written request for
7 transfer of such amounts that complies with the fol-
8 lowing requirements:

9 “(A) PREPARATION.—The request shall be
10 prepared, and submitted to the Secretary, by—

11 “(i) in the case of a request for trans-
12 fer of amounts to the HOME Investment
13 Trust Fund, the applicable participating
14 jurisdiction of the agency, after consulta-
15 tion and agreement with the public housing
16 agency having such unused assistance
17 amounts; and

18 “(ii) in the case of a request for
19 transfer of amounts for use for Capital
20 Fund activities, the public housing agency.

21 “(B) CONTENTS.—The request shall
22 include—

23 “(i) information on the affordable
24 housing needs, conditions, and availability
25 in the geographical area served by the

1 agency, which shall include information re-
2 garding vacancy rates, waiting lists for
3 rental assistance under this section, rates
4 for return of vouchers for such rental as-
5 sistance, and any other information the
6 agency considers appropriate;

7 “(ii) a certification that the agency is
8 in compliance with applicable laws and reg-
9 ulations regarding management of the pro-
10 gram for tenant-based assistance under
11 this section and, because of circumstances
12 beyond the control of the agency, cannot
13 increase its rate of use of tenant-based as-
14 sistance amounts;

15 “(iii) a detailed description of the
16 agency’s efforts to assist eligible families to
17 utilize the unused assistance;

18 “(iv) a proposal describing how the
19 unused assistance will be used under title
20 II of the Cranston-Gonzalez National Af-
21 fordable Housing Act (42 U.S.C. 12721 et
22 seq.) or for activities eligible for assistance
23 with amounts provided from the Capital
24 Fund under section 9(d) of this Act (42
25 U.S.C. 1437g(d)), as applicable; and

1 “(v) any other information or certifi-
2 cations that the Secretary considers appro-
3 priate.

4 “(C) TIMING.—A request under this para-
5 graph shall be submitted to the Secretary dur-
6 ing the 60-day period ending upon the conclu-
7 sion of the fiscal year of the public housing
8 agency involved. The Secretary shall determine
9 whether to approve such request, and notify the
10 applicable participating jurisdiction and the
11 public housing agency involved of such deter-
12 mination, not later than 30 days after the re-
13 quest is submitted.

14 “(4) DETERMINATION REGARDING USE OF AS-
15 SISTANCE.—The Secretary may authorize transfer of
16 unused tenant-based assistance of a public housing
17 agency pursuant to this subsection only if the Sec-
18 retary determines, on the basis of the request under
19 paragraph (3), that the unused assistance—

20 “(A) if used under title II of the Cranston-
21 Gonzalez National Affordable Housing Act, will
22 be used in accordance with sections 212(a)(4)
23 and 214(b) of such Act (42 U.S.C.
24 12742(a)(4), 12744(b));

1 “(B) will be used to meet the needs de-
2 scribed in the request submitted pursuant to
3 paragraph (3)(B)(i);

4 “(C) will be used consistent with the com-
5 prehensive housing affordability strategy of the
6 jurisdiction submitted under section 105 of
7 such Act (42 U.S.C. 12705) and, if applicable,
8 the public housing agency plan for the agency;
9 and

10 “(D) can and will be used as provided in
11 this subsection within 18 months of the Sec-
12 retary’s determination to authorize use under
13 this subsection.

14 “(5) DEFINITIONS.—For purposes of this sub-
15 section, the following definitions shall apply:

16 “(A) APPLICABLE PARTICIPATING JURIS-
17 DICTION.—The term ‘applicable participating
18 jurisdiction’ means, with respect to a public
19 housing agency, a participating jurisdiction (as
20 such term is defined in section 104 of the Cran-
21 ston-Gonzalez National Affordable Housing Act
22 (42 U.S.C. 12704)) any part of which is located
23 within the geographical area served by such
24 agency.

1 “(B) LEASING RATE.—The term ‘leasing
2 rate’ means, with respect to an amount of
3 budget authority made available for tenant-
4 based assistance, the ratio of the number of
5 dwelling units leased using such budget author-
6 ity to the number of reserved units for such
7 budget authority.

8 “(C) RESERVED UNITS.—The term ‘re-
9 served units’ means, with respect to an amount
10 of budget authority made available for tenant-
11 based assistance, the total number of dwelling
12 units that may be leased using such budget au-
13 thority.

14 “(D) UNUSED TENANT-BASED ASSIST-
15 ANCE.—The term ‘unused tenant-based assist-
16 ance’ means any budget authority for tenant-
17 based assistance made available to a public
18 housing agency that remains unused and, under
19 the regulations and notices of the Secretary, is
20 subject to reallocation to other agencies based
21 upon the leasing rate of the agency.”.

22 **SEC. 4. USE OF TRANSFERRED AMOUNTS UNDER HOME IN-**
23 **VESTMENT PARTNERSHIPS PROGRAM.**

24 (a) USE WITHIN JURISDICTION OF TRANSFERRING
25 PHA.—Section 212(a) of the Cranston-Gonzalez National

1 Affordable Housing Act (42 U.S.C. 12742(a)) is amended
2 by inserting after paragraph (3) the following new para-
3 graph:

4 “(4) UNUSED PUBLIC HOUSING AGENCY
5 AMOUNTS.—Any amounts in the HOME Investment
6 Trust Fund for a participating jurisdiction pursuant
7 to transfer under section 8(ee) of the United States
8 Housing Act of 1937 (42 U.S.C. 1437f(ee)) may be
9 used, as provided in this section, to develop and sup-
10 port only affordable rental housing and affordable
11 housing for homeownership, that is located in a geo-
12 graphical area of the participating jurisdiction that
13 is within the area served by the public housing agen-
14 cy that transferred such amounts.”.

15 (b) TARGETING REQUIREMENTS.—Section 214 of the
16 Cranston-Gonzalez National Affordable Housing Act (42
17 U.S.C. 12744) is amended—

18 (1) by striking “Each” and inserting “(a) IN
19 GENERAL.—Except as provided in subsection (b),
20 each”; and

21 (2) by adding at the end the following new sub-
22 section:

23 “(b) UNUSED PUBLIC HOUSING AGENCY
24 AMOUNTS.—In the case only of amounts in the HOME
25 Investment Trust Fund for a participating jurisdiction

1 pursuant to transfer under section 8(ee) of the United
2 States Housing Act of 1937 (42 U.S.C. 1437f(ee)), the
3 participating jurisdiction shall invest such amounts so
4 that—

5 “(1) with respect to rental assistance and rental
6 units—

7 “(A) not less than 75 percent of (i) the
8 families receiving such rental assistance are
9 families whose incomes do not exceed 30 per-
10 cent of the median family income for the area,
11 as determined by the Secretary with adjust-
12 ments for smaller and larger families (except
13 that the Secretary may establish income ceilings
14 higher or lower than 30 percent of the median
15 income for the area on the basis of the Sec-
16 retary’s findings that such variations are nec-
17 essary because of prevailing levels of construc-
18 tion cost or fair market rent, or unusually high
19 or low family income) at the time of occupancy
20 or at the time funds are invested, whichever is
21 later, or (ii) the dwelling units assisted with
22 such funds are occupied by families having such
23 incomes; and

24 “(B) the remainder of (i) the families re-
25 ceiving such rental assistance are households

1 that qualify as low-income families (other than
2 families described in subparagraph (A)) at the
3 time of occupancy or at the time funds are in-
4 vested, whichever is later, or (ii) the dwelling
5 units assisted with such funds are occupied by
6 such households;

7 “(2) with respect to homeownership assistance,
8 not less than 75 percent of such funds are invested
9 with respect to dwelling units that are occupied by
10 households having incomes described in paragraph
11 (1)(A)(i) and the remainder of such funds are in-
12 vested with respect to dwelling units that are occu-
13 pied by households that qualify as low-income fami-
14 lies; and

15 “(3) all such funds are invested with respect to
16 housing that qualifies as affordable housing under
17 section 215.”.

18 **SEC. 5. APPLICABILITY.**

19 The amendments made by this Act shall apply only
20 to tenant-based assistance under section 8 of the United
21 States Housing Act of 1937 that is appropriated for fiscal
22 year 2003 or any fiscal year thereafter.

23 **SEC. 6. REGULATIONS.**

24 Not later than 6 months after the date of the enact-
25 ment of this Act, the Secretary of Housing and Urban

- 1 Development shall issue final regulations to carry out the
- 2 amendments made by this Act.

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