

## Union Calendar No. 546

110<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5772

[Report No. 110-845]

To amend section 811 of the Cranston-Gonzalez National Affordable Housing Act to improve the program under such section for supportive housing for persons with disabilities.

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### IN THE HOUSE OF REPRESENTATIVES

APRIL 10, 2008

Mr. MURPHY of Connecticut (for himself and Mrs. BIGGERT) introduced the following bill; which was referred to the Committee on Financial Services

SEPTEMBER 15, 2008

Additional sponsors: Mr. PALLONE, Mr. TOWNS, Mr. FRANK of Massachusetts, Mr. FILNER, Mr. ELLISON, Mr. MEEKS of New York, Mr. LYNCH, Mr. COHEN, Mr. AL GREEN of Texas, Ms. WATERS, Mr. HINOJOSA, Mr. SIRES, Mr. ROTHMAN, Ms. SCHAKOWSKY, Mr. ALTMIRE, and Mr. MCGOVERN

SEPTEMBER 15, 2008

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 *italics*]  
[For text of introduced bill, see copy of bill as introduced on April 10, 2008]

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## A BILL

To amend section 811 of the Cranston-Gonzalez National Affordable Housing Act to improve the program under

such section for supportive housing for persons with disabilities.

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; REFERENCES.**

4 (a) *SHORT TITLE.*—*This Act may be cited as the*  
5 *“Frank Melville Supportive Housing Investment Act of*  
6 *2008”.*

7 (b) *REFERENCES.*—*Except as otherwise expressly pro-*  
8 *vided, wherever in this Act an amendment or repeal is ex-*  
9 *pressed in terms of an amendment to, or repeal of, section*  
10 *811 or any other provision of section 811, the reference shall*  
11 *be considered to be made to section 811 of the Cranston-*  
12 *Gonzalez National Affordable Housing Act (42 U.S.C.*  
13 *8013).*

14 **SEC. 2. TENANT-BASED RENTAL ASSISTANCE THROUGH**  
15 **CERTIFICATE FUND.**

16 (a) *TERMINATION OF MAINSTREAM TENANT-BASED*  
17 *RENTAL ASSISTANCE PROGRAM.*—*Section 811 is amend-*  
18 *ed—*

19 (1) *in subsection (b)—*

20 (A) *by striking the first subsection designa-*  
21 *tion and all that follows through the end of sub-*  
22 *paragraph (B) of paragraph (2) and inserting*  
23 *the following:*

1       “(b) *AUTHORITY TO PROVIDE ASSISTANCE.*—*The Sec-*  
2 *retary is authorized to provide assistance to private non-*  
3 *profit organizations to expand the supply of supportive*  
4 *housing for persons with disabilities, which shall be pro-*  
5 *vided as—*

6               “(1) *capital advances in accordance with sub-*  
7 *section (d)(1), and*

8               “(2) *contracts for project rental assistance in ac-*  
9 *cordance with subsection (d)(2).”;* and

10               (B) *by striking “assistance under this para-*  
11 *graph” and inserting “Assistance under this sub-*  
12 *section”;*

13               (2) *in subsection (d), by striking paragraph (4);*  
14 *and*

15               (3) *in subsection (l), by striking paragraph (1).*

16       (b) *RENEWAL THROUGH SECTION 8.*—*Section 811 is*  
17 *amended by adding at the end the following new subsection:*

18       “(p) *AUTHORIZATION OF APPROPRIATIONS FOR SEC-*  
19 *TION 8 ASSISTANCE.*—

20               “(1) *IN GENERAL.*—*There is authorized to be ap-*  
21 *propriated for tenant-based rental assistance under*  
22 *section 8(o) of the United States Housing Act of 1937*  
23 *(42 U.S.C. 1437f(o)) for persons with disabilities in*  
24 *fiscal year 2009 the amount necessary to provide a*  
25 *number of incremental vouchers under such section*

1       that is equal to the number of vouchers provided in  
2       fiscal year 2008 under the tenant-based rental assist-  
3       ance program under subsection (d)(4) of this section  
4       (as in effect before the date of the enactment of the  
5       Frank Melville Supportive Housing Investment Act of  
6       2008).

7               “(2) *REQUIREMENTS UPON TURNOVER.*—The  
8       Secretary shall develop and issue, to public housing  
9       agencies that receive voucher assistance made avail-  
10      able under this subsection and to public housing agen-  
11      cies that received voucher assistance under section  
12      8(o) of the United States Housing Act of 1937 (42  
13      U.S.C. 1437f(o)) for non-elderly disabled families  
14      pursuant to appropriation Acts for fiscal years 1997  
15      through 2002 or any other subsequent appropriations  
16      for incremental vouchers for non-elderly disabled fam-  
17      ilies, guidance to ensure that, to the maximum extent  
18      possible, such vouchers continue to be provided upon  
19      turnover to qualified persons with disabilities or to  
20      qualified non-elderly disabled families, respectively.”.

21 **SEC. 3. MODERNIZED CAPITAL ADVANCE PROGRAM.**

22       (a) *PROJECT RENTAL ASSISTANCE CONTRACTS.*—Sec-  
23      tion 811 is amended—

24               (1) in subsection (d)(2)—

1           (A) by inserting “(A) INITIAL PROJECT  
2 RENTAL ASSISTANCE CONTRACT.—” after  
3 “PROJECT RENTAL ASSISTANCE.—”

4           (B) in the first sentence, by inserting after  
5 “shall” the following: “comply with subsection  
6 (e)(2) and shall”;

7           (C) by striking “annual contract amount”  
8 each place such term appears and inserting  
9 “amount provided under the contract for each  
10 year covered by the contract”; and

11           (D) by adding at the end the following new  
12 subparagraph:

13           “(B) RENEWAL OF AND INCREASES IN CONTRACT  
14 AMOUNTS.—

15           “(i) EXPIRATION OF CONTRACT TERM.—  
16 Upon the expiration of each contract term, sub-  
17 ject to the availability of amounts made avail-  
18 able in appropriation Acts, the Secretary shall  
19 adjust the annual contract amount to provide for  
20 reasonable project costs, and any increases, in-  
21 cluding adequate reserves and service coordina-  
22 tors, except that any contract amounts not used  
23 by a project during a contract term shall not be  
24 available for such adjustments upon renewal.

1           “(i) *EMERGENCY SITUATIONS.*—*In the*  
2 *event of emergency situations that are outside the*  
3 *control of the owner, the Secretary shall increase*  
4 *the annual contract amount, subject to reason-*  
5 *able review and limitations as the Secretary*  
6 *shall provide.”.*

7           (2) *in subsection (e)(2)—*

8           (A) *in the first sentence, by inserting before*  
9 *the period at the end the following: “, except*  
10 *that, in the case of the sponsor of a project as-*  
11 *sisted with any low-income housing tax credit*  
12 *pursuant to section 42 of the Internal Revenue*  
13 *Code of 1986 or with any tax-exempt housing*  
14 *bonds, the contract shall have an initial term of*  
15 *not be less than 360 months and shall provide*  
16 *funding for a term of 60 months”;* and

17           (B) *by striking “extend any expiring con-*  
18 *tract” and insert “upon expiration of a contract*  
19 *(or any renewed contract), renew such contract”.*

20           (b) *PROGRAM REQUIREMENTS.*—*Section 811 is*  
21 *amended—*

22           (1) *in subsection (e)—*

23           (A) *by striking the subsection heading and*  
24 *inserting the following: “PROGRAM REQUIRE-*  
25 *MENTS”;*

1           (B) by striking paragraph (1) and inserting  
2           the following new paragraph:

3           “(1) *USE RESTRICTIONS.*—

4                   “(A) *TERM.*—Any project for which a cap-  
5                   ital advance is provided under subsection (d)(1)  
6                   shall be operated for not less than 40 years as  
7                   supportive housing for persons with disabilities,  
8                   in accordance with the application for the  
9                   project approved by the Secretary and shall, dur-  
10                  ing such period, be made available for occupancy  
11                  only by very low-income persons with disabil-  
12                  ities.

13                  “(B) *CONVERSION.*—If the owner of a  
14                  project requests the use of the project for the di-  
15                  rect benefit of very low-income persons with dis-  
16                  abilities and, pursuant to such request the Sec-  
17                  retary determines that a project is no longer  
18                  needed for use as supportive housing for persons  
19                  with disabilities, the Secretary may approve the  
20                  request and authorize the owner to convert the  
21                  project to such use.”; and

22                  (C) by adding at the end the following new  
23                  paragraphs:

24                  “(3) *LIMITATION ON USE OF FUNDS.*—No assist-  
25                  ance received under this section (or any State or local

1 *government funds used to supplement such assistance)*  
2 *may be used to replace other State or local funds pre-*  
3 *viously used, or designated for use, to assist persons*  
4 *with disabilities.*

5 “(4) *MULTIFAMILY PROJECTS.*—

6 “(A) *LIMITATION.*—*Except as provided in*  
7 *subparagraph (B), of the total number of dwell-*  
8 *ing units in any multifamily housing project*  
9 *(including any condominium or cooperative*  
10 *housing project) containing any unit for which*  
11 *assistance is provided from a capital grant*  
12 *under subsection (d)(1) made after the date of*  
13 *the enactment of the Frank Melville Supportive*  
14 *Housing Investment Act of 2008, the aggregate*  
15 *number that are used for persons with disabili-*  
16 *ties, including supportive housing for persons*  
17 *with disabilities, or to which any occupancy*  
18 *preference for persons with disabilities applies,*  
19 *may not exceed 25 percent of such total.*

20 “(B) *EXCEPTION.*—*Subparagraph (A) shall*  
21 *not apply in the case of any project that is a*  
22 *group home or independent living facility.”; and*  
23 *(2) in subsection (l), by striking paragraph (4).*

24 (c) *DELEGATED PROCESSING.*—*Subsection (g) of sec-*  
25 *tion 811 (42 U.S.C. 8013(g)) is amended—*



1           (1) by striking “SELECTION CRITERIA.—” and  
2           inserting “SELECTION CRITERIA AND PROCESSING.—  
3           (1) SELECTION CRITERIA.—”;

4           (2) by redesignating paragraphs (1), (2), (3),  
5           (4), (5), (6), and (7) as subparagraphs (A), (B), (C),  
6           (D), (E), (G), and (H), respectively;

7           (3) by adding at the end the following new para-  
8           graph:

9           “(2) DELEGATED PROCESSING.—

10           “(A) In issuing a capital advance under sub-  
11           section (d)(1) for any multifamily project (but not in-  
12           cluding any project that is a group home or inde-  
13           pendent living facility) for which financing for the  
14           purposes described in the last sentence of subsection  
15           (b) is provided by a combination of the capital ad-  
16           vance and sources other than this section, within 30  
17           days of award of the capital advance, the Secretary  
18           shall delegate review and processing of such projects  
19           to a State or local housing agency that—

20           “(i) is in geographic proximity to the prop-  
21           erty;

22           “(ii) has demonstrated experience in and  
23           capacity for underwriting multifamily housing  
24           loans that provide housing and supportive serv-  
25           ices;

1           “(iii) may or may not be providing low-in-  
2           come housing tax credits in combination with  
3           the capital advance under this section; and

4           “(iv) agrees to issue a firm commitment  
5           within 12 months of delegation.

6           “(B) The Secretary shall retain the authority to  
7           process capital advances in cases in which no State  
8           or local housing agency has applied to provide dele-  
9           gated processing pursuant to this paragraph or no  
10          such agency has entered into an agreement with the  
11          Secretary to serve as a delegated processing agency.

12          “(C) An agency to which review and processing  
13          is delegated pursuant to subparagraph (A) may assess  
14          a reasonable fee which shall be included in the capital  
15          advance amounts and may recommend project rental  
16          assistance amounts in excess of those initially award-  
17          ed by the Secretary. The Secretary shall develop a  
18          schedule for reasonable fees under this subparagraph  
19          to be paid to delegated processing agencies, which  
20          shall take into consideration any other fees to be paid  
21          to the agency for other funding provided to the project  
22          by the agency, including bonds, tax credits, and other  
23          gap funding.

24          “(D) Under such delegated system, the Secretary  
25          shall retain the authority to approve rents and devel-

1        *opment costs and to execute a capital advance within*  
2        *60 days of receipt of the commitment from the State*  
3        *or local agency. The Secretary shall provide to such*  
4        *agency and the project sponsor, in writing, the rea-*  
5        *sons for any reduction in capital advance amounts or*  
6        *project rental assistance and such reductions shall be*  
7        *subject to appeal.”.*

8        *(d) LEVERAGING OTHER RESOURCES.—Paragraph (1)*  
9        *of section 811(g) (as so designated by subsection (c)(1) of*  
10        *this section) is amended by inserting after subparagraph*  
11        *(E) (as so redesignated by subsection (c)(2) of this section)*  
12        *the following new subparagraph:*

13                *“(F) the extent to which the per-unit cost of*  
14                *units to be assisted under this section will be*  
15                *supplemented with resources from other public*  
16                *and private sources;”.*

17        *(e) TENANT PROTECTIONS AND ELIGIBILITY FOR OC-*  
18        *CUPANCY.—Section 811 is amended by striking subsection*  
19        *(i) and inserting the following new subsection:*

20                *“(i) ADMISSION AND OCCUPANCY.—*

21                        *“(1) TENANT SELECTION.—*

22                                *“(A) PROCEDURES.—An owner shall adopt*  
23                                *written tenant selection procedures that are sat-*  
24                                *isfactory to the Secretary as (i) consistent with*  
25                                *the purpose of improving housing opportunities*

1           *for very low-income persons with disabilities;*  
2           *and (ii) reasonably related to program eligibility*  
3           *and an applicant’s ability to perform the obliga-*  
4           *tions of the lease. Owners shall promptly notify*  
5           *in writing any rejected applicant of the grounds*  
6           *for any rejection.*

7           “(B) *REQUIREMENT FOR OCCUPANCY.—Oc-*  
8           *cupancy in dwelling units provided assistance*  
9           *under this section shall be available only to per-*  
10           *sons with disabilities and households that in-*  
11           *clude at least one person with a disability.*

12           “(C) *AVAILABILITY.—Except only as pro-*  
13           *vided in subparagraph (D), occupancy in dwell-*  
14           *ing units in housing provided with assistance*  
15           *under this section shall be available to all per-*  
16           *sons with disabilities eligible for such occupancy*  
17           *without regard to the particular disability in-*  
18           *volved.*

19           “(D) *LIMITATION ON OCCUPANCY.—Not-*  
20           *withstanding any other provision of law, the*  
21           *owner of housing developed under this section*  
22           *may, with the approval of the Secretary, limit*  
23           *occupancy within the housing to persons with*  
24           *disabilities who can benefit from the supportive*  
25           *services offered in connection with the housing.*

1           “(2) *TENANT PROTECTIONS.*—

2                   “(A) *LEASE.*—*The lease between a tenant*  
3 *and an owner of housing assisted under this sec-*  
4 *tion shall be for not less than one year, and shall*  
5 *contain such terms and conditions as the Sec-*  
6 *retary shall determine to be appropriate.*

7                   “(B) *TERMINATION OF TENANCY.*—*An*  
8 *owner may not terminate the tenancy or refuse*  
9 *to renew the lease of a tenant of a rental dwell-*  
10 *ing unit assisted under this section except—*

11                           “(i) *for serious or repeated violation of*  
12 *the terms and conditions of the lease, for*  
13 *violation of applicable Federal, State, or*  
14 *local law, or for other good cause; and*

15                           “(ii) *by providing the tenant, not less*  
16 *than 30 days before such termination or re-*  
17 *fusal to renew, with written notice speci-*  
18 *fying the grounds for such action.*

19                   “(C) *VOLUNTARY PARTICIPATION IN SERV-*  
20 *ICES.*—*A supportive service plan for housing as-*  
21 *sisted under this section shall permit each resi-*  
22 *dent to take responsibility for choosing and ac-*  
23 *quiring their own services, to receive any sup-*  
24 *portive services made available directly or indi-*

1           *rectly by the owner of such housing, or to not re-*  
2           *ceive any supportive services.”.*

3           *(f) DEVELOPMENT COST LIMITATIONS.—Subsection*  
4 *(h) of section 811 is amended—*

5           *(1) in paragraph (1)—*

6                   *(A) by striking the paragraph heading and*  
7                   *inserting “GROUP HOMES”;*

8                   *(B) in the first sentence, by striking “var-*  
9                   *ious types and sizes” and inserting “group*  
10                   *homes”;*

11                   *(C) by striking subparagraph (E); and*

12                   *(D) by redesignating subparagraphs (F)*  
13                   *and (G) as subparagraphs (E) and (F), respec-*  
14                   *tively;*

15           *(2) in paragraph (3), by inserting “established*  
16           *pursuant to paragraph (1)” after “cost limitation”;*  
17           *and*

18           *(3) by adding at the end the following new para-*  
19           *graph:*

20                   *“(6) APPLICABILITY OF HOME PROGRAM COST*  
21                   *LIMITATIONS.—*

22                           *“(A) IN GENERAL.—The provisions of sec-*  
23                           *tion 212(e) of the Cranston-Gonzalez National*  
24                           *Affordable Housing Act (42 U.S.C. 12742(e))*  
25                           *and the cost limits established by the Secretary*

1           *pursuant to such section with respect to the*  
2           *amount of funds under subtitle A of title II of*  
3           *such Act that may be invested on a per unit*  
4           *basis, shall apply to supportive housing assisted*  
5           *with a capital advance under subsection (d)(1)*  
6           *and the amount of funds under such subsection*  
7           *that may be invested on a per unit basis.*

8           “(B) *WAIVERS.*—*The Secretary shall pro-*  
9           *vide for waiver of the cost limits applicable pur-*  
10           *suant to subparagraph (A)—*

11                   “(i) *in the cases in which the cost lim-*  
12                   *its established pursuant to section 212(e) of*  
13                   *the Cranston-Gonzalez National Affordable*  
14                   *Housing Act may be waived; and*

15                   “(ii) *to provide for—*

16                           “(I) *the cost of special design fea-*  
17                           *tures to make the housing accessible to*  
18                           *persons with disabilities;*

19                           “(II) *the cost of special design fea-*  
20                           *tures necessary to make individual*  
21                           *dwelling units meet the special needs of*  
22                           *persons with disabilities; and*

23                           “(III) *the cost of providing the*  
24                           *housing in a location that is accessible*  
25                           *to public transportation and commu-*

1                    *nity organizations that provide sup-*  
2                    *portive services to persons with disabil-*  
3                    *ities.”.*

4            *(g) REPEAL OF AUTHORITY TO WAIVE SIZE LIMITA-*  
5 *TIONS.—Paragraph (1) of section 811(k) is amended—*

6                    *(1) in paragraph (1), by striking the second sen-*  
7                    *tence; and*

8                    *(2) in paragraph (4), by striking “(or such high-*  
9                    *er number of persons” and all that follows through*  
10                    *“subsection (h)(6))”.*

11            *(h) MINIMUM ALLOCATION FOR MULTIFAMILY*  
12 *PROJECTS.—Subsection (l) of section 811, as amended by*  
13 *the preceding provisions of this Act, is further amended by*  
14 *inserting before paragraph (2) the following new para-*  
15 *graph:*

16                    *“(1) MINIMUM ALLOCATION FOR MULTIFAMILY*  
17 *PROJECTS.—The Secretary shall establish a minimum*  
18 *percentage of the amount made available for each fis-*  
19 *cal year for capital advances under subsection (d)(1)*  
20 *that shall be used for multifamily projects subject to*  
21 *subsection (e)(4).”.*

22 **SEC. 4. PROJECT RENTAL ASSISTANCE COMPETITIVE DEM-**  
23 **ONSTRATION PROGRAM.**

24            *Section 811, as amended by the preceding provisions*  
25 *of this Act, is further amended—*



1           (1) *by redesignating subsections (k) through (n)*  
2 *as subsections (l) through (o), respectively; and*

3           (2) *by inserting after subsection (j) the following*  
4 *new subsection:*

5           “(k) *PROJECT RENTAL ASSISTANCE-ONLY COMPETI-*  
6 *TIVE DEMONSTRATION PROGRAM.—*

7           “(1) *AUTHORITY.—The Secretary shall carry out*  
8 *a demonstration program under this subsection to ex-*  
9 *pend the supply of supportive housing for non-elderly*  
10 *adults with disabilities, under which the Secretary*  
11 *shall make funds available for project rental assist-*  
12 *ance pursuant to paragraph (2) for eligible projects*  
13 *under paragraph (3). The Secretary shall provide for*  
14 *State housing finance agencies and other appropriate*  
15 *entities to apply to the Secretary for such project*  
16 *rental assistance funds, which shall be made available*  
17 *by such agencies and entities for dwelling units in eli-*  
18 *gible projects based upon criteria established by the*  
19 *Secretary for the demonstration program under this*  
20 *subsection. The Secretary may not require any State*  
21 *housing finance agency or other entity applying for*  
22 *project rental assistance funds under the demonstra-*  
23 *tion program to identify in such application the eligi-*  
24 *ble projects for which such funds will be used, and*  
25 *shall allow such agencies and applicants to subse-*

1        *quently identify such eligible projects pursuant to the*  
2        *making of commitments described in paragraph*  
3        *(3)(B).*

4            *“(2) PROJECT RENTAL ASSISTANCE.—*

5                    *“(A) CONTRACT TERMS.—Project rental as-*  
6                    *sistance under the demonstration program under*  
7                    *this subsection shall be provided—*

8                            *“(i) in accordance with subsection*  
9                            *(d)(2); and*

10                            *“(ii) under a contract having an ini-*  
11                            *tial term of not less than 180 months that*  
12                            *provides funding for a term 60 months,*  
13                            *which funding shall be renewed upon expi-*  
14                            *ration, subject to the availability of suffi-*  
15                            *cient amounts in appropriation Acts.*

16                    *“(B) LIMITATION ON UNITS ASSISTED.—Of*  
17                    *the total number of dwelling units in any multi-*  
18                    *family housing project containing any unit for*  
19                    *which project rental assistance under the dem-*  
20                    *onstration program under this subsection is pro-*  
21                    *vided, the aggregate number that are provided*  
22                    *such project rental assistance, that are used for*  
23                    *supportive housing for persons with disabilities,*  
24                    *or to which any occupancy preference for persons*

1           *with disabilities applies, may not exceed 25 per-*  
2           *cent of such total.*

3           “(C) *PROHIBITION OF CAPITAL AD-*  
4           *VANCES.—The Secretary may not provide a cap-*  
5           *ital advance under subsection (d)(1) for any*  
6           *project for which assistance is provided under*  
7           *the demonstration program.*

8           “(D) *ELIGIBLE POPULATION.—Project rent-*  
9           *al assistance under the demonstration program*  
10           *under this subsection may be provided only for*  
11           *dwelling units for extremely low-income persons*  
12           *with disabilities and extremely low-income*  
13           *households that include at least one person with*  
14           *a disability.*

15           “(3) *ELIGIBLE PROJECTS.—An eligible project*  
16           *under this paragraph is a new or existing multi-*  
17           *family housing project for which—*

18                   “(A) *the development costs are paid with re-*  
19                   *sources from other public or private sources; and*

20                   “(B) *a commitment has been made—*

21                           “(i) *by the applicable State agency re-*  
22                           *sponsible for allocation of low-income hous-*  
23                           *ing tax credits under section 42 of the In-*  
24                           *ternal Revenue Code of 1986, for an alloca-*  
25                           *tion of such credits;*

1           “(ii) by the applicable participating  
2           jurisdiction that receives assistance under  
3           the *HOME Investment Partnership Act*, for  
4           assistance from such jurisdiction; or

5           “(iii) by any Federal agency or any  
6           State or local government, for funding for  
7           the project from funds from any other  
8           sources.

9           “(4) *STATE AGENCY INVOLVEMENT*.—Assistance  
10          under the demonstration may be provided only for  
11          projects for which the applicable State agency respon-  
12          sible for health and human services programs, and the  
13          applicable State agency designated to administer or  
14          supervise the administration of the State plan for  
15          medical assistance under title XIX of the Social Secu-  
16          rity Act, have entered into such agreements as the  
17          Secretary considers appropriate—

18               “(A) to identify the target populations to be  
19               served by the project;

20               “(B) to set forth methods for outreach and  
21               referral; and

22               “(C) to make available appropriate services  
23               for tenants of the project.

24           “(5) *USE REQUIREMENTS*.—In the case of any  
25          project for which project rental assistance is provided

1        *under the demonstration program under this sub-*  
2        *section, the dwelling units assisted pursuant to para-*  
3        *graph (2) shall be operated for not less than 30 years*  
4        *as supportive housing for persons with disabilities, in*  
5        *accordance with the application for the project ap-*  
6        *proved by the Secretary, and such dwelling units*  
7        *shall, during such period, be made available for occu-*  
8        *pancy only by persons and households described in*  
9        *paragraph (2)(D).*

10            *“(6) REPORT.—Upon the expiration of the 5-*  
11            *year period beginning on the date of the enactment of*  
12            *the Frank Melville Supportive Housing Investment*  
13            *Act of 2008, the Secretary shall submit to the Con-*  
14            *gress a report describing the demonstration program*  
15            *under this subsection, analyzing the effectiveness of*  
16            *the program, including the effectiveness of the pro-*  
17            *gram compared to the program for capital advances*  
18            *in accordance with subsection (d)(1) (as in effect pur-*  
19            *suant to the amendments made by such Act), and*  
20            *making recommendations regarding future models for*  
21            *assistance under this section based upon the experi-*  
22            *ences under the program.”.*

23    **SEC. 5. TECHNICAL CORRECTIONS.**

24            *Section 811 is amended—*

25                    *(1) in subsection (a)—*

1           (A) in paragraph (1), by striking “and” at  
2           the end;

3           (B) in paragraph (2)—

4                 (i) by striking “provides” and insert-  
5                 ing “makes available”; and

6                 (ii) by striking the period at the end  
7                 and inserting “; and” ; and

8           (C) by adding at the end the following new  
9           paragraph:

10           “(3) promotes and facilitates community inte-  
11           gration for people with significant and long-term dis-  
12           abilities.”;

13           (2) in subsection (c)—

14                 (A) in paragraph (1), by striking “special”  
15                 and inserting “housing and community-based  
16                 services”; and

17                 (B) in paragraph (2)—

18                 (i) by striking subparagraph (A) and  
19                 inserting the following:

20                 “(A) make available voluntary supportive  
21                 services that address the individual needs of per-  
22                 sons with disabilities occupying such housing;”;  
23                 and

24                 (ii) in subparagraph (B), by striking  
25                 the comma and inserting a semicolon;

1           (3) in subsection (d)(1), by striking “provided  
2           under” and all that follows through “shall bear” and  
3           inserting “provided pursuant to subsection (b)(1)  
4           shall bear”;

5           (4) in subsection (f)—

6           (A) in paragraph (3)—

7           (i) in subparagraph (B), by striking  
8           “receive” and inserting “be offered”;

9           (ii) by striking subparagraph (C) and  
10          inserting the following:

11          “(C) evidence of the applicant’s experience  
12          in—

13                 “(i) providing such supportive services;

14                 or

15                 “(ii) creating and managing struc-  
16                 tured partnerships with service providers  
17                 for the delivery of appropriate community-  
18                 based services;”;

19                 (iii) in subparagraph (D), by striking  
20                 “such persons” and all that follows through  
21                 “provision of such services” and inserting  
22                 “tenants”; and

23                 (iv) in subparagraph (E), by inserting  
24                 “other Federal, and” before “State”; and

1           (B) in paragraph (4), by striking “special”  
2           and inserting “housing and community-based  
3           services”;

4           (5) in subsection (g), in paragraph (1) (as so re-  
5           designated by section 3(c)(1) of this Act)—

6           (A) in subparagraph (D) (as so redesign-  
7           ated by section 3(c)(2) of this Act), by striking  
8           “the necessary supportive services will be pro-  
9           vided” and inserting “appropriate supportive  
10          services will be made available”; and

11          (B) by striking subparagraph (E) (as so re-  
12          designated by section 3(c)(2) of this Act) and in-  
13          serting the following:

14          “(E) the extent to which the location and design  
15          of the proposed project will facilitate the provision of  
16          community-based supportive services and address  
17          other basic needs of persons with disabilities, includ-  
18          ing access to appropriate and accessible transpor-  
19          tation, access to community services agencies, public  
20          facilities, and shopping;”;

21          (6) in subsection (j)—

22               (A) by striking paragraph (4); and

23               (B) by redesignating paragraphs (5), (6),  
24               and (7) as paragraphs (4), (5), and (6), respec-  
25               tively;



1           (7) *in subsection (l) (as so redesignated by sec-*  
2 *tion 4(1) of this Act)—*

3           (A) *in paragraph (1), by inserting before*  
4 *the period at the end of the first sentence the fol-*  
5 *lowing: “, which provides a separate bedroom for*  
6 *each tenant of the residence”;*

7           (B) *by striking paragraph (2) and inserting*  
8 *the following:*

9           “(2)(A) *The term ‘person with disabilities’*  
10 *means a person who is 18 years of age or older and*  
11 *less than 62 years of age, who—*

12           “(i) *has a disability as defined in section*  
13 *223 of the Social Security Act;*

14           “(ii) *is determined, pursuant to regulations*  
15 *issued by the Secretary, to have a physical, men-*  
16 *tal, or emotional impairment which—*

17           “(I) *is expected to be of long-continued*  
18 *and indefinite duration;*

19           “(II) *substantially impedes his or her*  
20 *ability to live independently; and*

21           “(III) *is of such a nature that such*  
22 *ability could be improved by more suitable*  
23 *housing conditions; or*

24           “(iii) *has a developmental disability as de-*  
25 *finied in section 102 of the Developmental Dis-*

1           *abilities Assistance and Bill of Rights Act of*  
2           *2000.*

3           “(B) *Such term shall not exclude persons who*  
4           *have the disease of acquired immunodeficiency syn-*  
5           *drome or any conditions arising from the etiologic*  
6           *agent for acquired immunodeficiency syndrome. Not-*  
7           *withstanding any other provision of law, no indi-*  
8           *vidual shall be considered a person with disabilities,*  
9           *for purposes of eligibility for low-income housing*  
10          *under this title, solely on the basis of any drug or al-*  
11          *cohol dependence. The Secretary shall consult with*  
12          *other appropriate Federal agencies to implement the*  
13          *preceding sentence.*

14          “(C) *The Secretary shall prescribe such regula-*  
15          *tions as may be necessary to prevent abuses in deter-*  
16          *mining, under the definitions contained in this para-*  
17          *graph, the eligibility of families and persons for ad-*  
18          *mission to and occupancy of housing assisted under*  
19          *this section. Notwithstanding the preceding provisions*  
20          *of this paragraph, the term ‘person with disabilities’*  
21          *includes two or more persons with disabilities living*  
22          *together, one or more such persons living with another*  
23          *person who is determined (under regulations pre-*  
24          *scribed by the Secretary) to be important to their care*  
25          *or well-being, and the surviving member or members*

1       of any household described in subparagraph (A) who  
2       were living, in a unit assisted under this section, with  
3       the deceased member of the household at the time of  
4       his or her death.”;

5               (C) by striking paragraph (3) and inserting  
6       the following new paragraph:

7       “(3) The term ‘supportive housing for persons  
8       with disabilities’ means dwelling units that—

9               “(A) are designed to meet the permanent  
10       housing needs of very low-income persons with  
11       disabilities; and

12              “(B) are located in housing that make  
13       available supportive services that address the in-  
14       dividual health, mental health, or other needs of  
15       such persons.”;

16              (D) in paragraph (5), by striking “a project  
17       for”; and

18              (E) in paragraph (6)—

19                      (i) by inserting after and below sub-  
20       paragraph (D) the matter to be inserted by  
21       the amendment made by section 841 of the  
22       American Homeownership and Economic  
23       Opportunity Act of 2000 (Public Law 106-  
24       569; 114 Stat. 3022); and

1                   (ii) in the matter inserted by the  
2                   amendment made by subparagraph (A) of  
3                   this paragraph, by striking “wholly owned  
4                   and”; and

5                   (8) in subsection (m) (as so redesignated by sec-  
6                   tion 4(1) of this Act)—

7                   (A) in paragraph (2), by striking “sub-  
8                   section (c)(1)” and inserting “subsection (d)(1”;  
9                   and

10                  (B) in paragraph (3), by striking “sub-  
11                  section (c)(2)” and inserting “subsection (d)(2”.

12 **SEC. 6. AUTHORIZATION OF APPROPRIATIONS.**

13                  Subsection (n) of section 811 (as so redesignated by  
14                  section 4(1) of this Act) is amended to read as follows:

15                  “(n) *AUTHORIZATION OF APPROPRIATIONS.*—There is  
16                  authorized to be appropriated for each of fiscal years 2008  
17                  through 2012 the following amounts:

18                         “(1) *CAPITAL ADVANCE/PRAC PROGRAM.*—For  
19                         providing assistance pursuant to subsection (b), such  
20                         sums as may be necessary.

21                         “(2) *DEMONSTRATION PROGRAM.*—For carrying  
22                         out the demonstration program under subsection (k),  
23                         such sums as may be necessary to provide 2,500 in-  
24                         cremental dwelling units under such program in each  
25                         of fiscal years 2008 and 2009 and 5,000 incremental

1 *dwelling units under such program in each of fiscal*  
2 *years 2010, 2011, and 2012.”.*

3 **SEC. 7. NEW REGULATIONS AND PROGRAM GUIDANCE.**

4 *Not later than the expiration of the 180-day period*  
5 *beginning on the date of the enactment of this Act, the Sec-*  
6 *retary of Housing and Urban Development shall issue new*  
7 *regulations and guidance for the program under section 811*  
8 *of the Cranston-Gonzalez National Affordable Housing Act*  
9 *for supportive housing for persons with disabilities to carry*  
10 *out such program in accordance with the amendments made*  
11 *by this Act.*

12 **SEC. 8. GAO STUDY.**

13 *The Comptroller General of the United States shall*  
14 *conduct a study of the supportive housing for persons with*  
15 *disabilities program under section 811 of the Cranston-*  
16 *Gonzalez National Affordable Housing Act (42 U.S.C. 8013)*  
17 *to determine the adequacy and effectiveness of such program*  
18 *in assisting households of persons with disabilities. Such*  
19 *study shall determine—*

20 *(1) the total number of households assisted under*  
21 *such program;*

22 *(2) the extent to which households assisted under*  
23 *other programs of the Department of Housing and*  
24 *Urban Development that provide rental assistance or*

1        *rental housing would be eligible to receive assistance*  
2        *under such section 811 program; and*

3                *(3) the extent to which households described in*  
4        *paragraph (2) who are eligible for, but not receiving,*  
5        *assistance under such section 811 program are receiv-*  
6        *ing supportive services from, or assisted by, the De-*  
7        *partment of Housing and Urban Development other*  
8        *than through the section 811 program (including*  
9        *under the Resident Opportunity and Self-Sufficiency*  
10       *program) or from other sources.*

11 *Upon the completion of the study required under this sec-*  
12 *tion, the Comptroller General shall submit a report to the*  
13 *Congress setting forth the findings and conclusions of the*  
14 *study.*



Union Calendar No. 546

110<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R. 5772**

[Report No. 110-845]

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## **A BILL**

To amend section 811 of the Cranston-Gonzalez National Affordable Housing Act to improve the program under such section for supportive housing for persons with disabilities.

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SEPTEMBER 15, 2008

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