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 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 housing 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-

tablished by the Secretary. A public housing

agency making assistance payments pursuant to this clause for a dwelling unit shall, 30 days after the beginning of the period for which such payments are made, suspend any assistance payments for the unit if any deficiency resulting in noncompliance with the housing quality standards has not been corrected by such time, and may not resume such payments until each such deficiency has been corrected.

"(iii) Use of alternative inspection that qualifies as an alternative inspection method pursuant to subparagraph (E), a public housing agency may authorize occupancy before the inspection under clause (i) has been completed, and may make assistance payments retroactive to the beginning of the lease term after the unit has been determined pursuant to an inspection under clause (i) to meet the housing quality standards under subparagraph (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. "(ii) Withholding of Assistance 3 4 AMOUNTS DURING CORRECTION.—The pub-5 lic housing agency may withhold assistance 6 amounts under this subsection with respect to a dwelling unit that does not comply 7 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 Abatement OFASSISTANCE AMOUNTS.—The public housing agency shall 21 22 abate all of the assistance amounts under 23 this subsection with respect to a dwelling 24 unit that is determined, pursuant to clause

(i) of this subparagraph, to be in non-

1 compliance with housing quality standards 2 under subparagraph (B). Upon completion of repairs by the public housing agency or 3 4 the owner sufficient so that the dwelling 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-

ing unit are abated pursuant to clause (iii) and the owner does not correct the non-compliance within 60 days after the effective date of the determination of noncompliance under clause (i), or such other reasonable longer period as the public housing agency may establish, and the agency does not use its authority under clause (iv), the agency shall terminate the housing assistance payments contract for the dwelling unit.

"(viii) Relocation.—

"(I) Lease of New Unit.—The agency shall provide the family residing in such a dwelling unit a period of 90 days or such longer period as is necessary to lease a new unit, beginning upon termination of the contract, to lease a new residence with tenant-based rental assistance under this section.

"(II) AVAILABILITY OF PUBLIC HOUSING UNITS.—If the family is unable to lease such a new residence during such period, the public housing

agency shall, at the option of the family, provide such family a preference

for occupancy in a dwelling unit of

public housing that is owned or operated by the agency that first becomes

available for occupancy after the expiration of such period.

"(III) Assistance in finding UNIT.—The public housing agency shall provide reasonable assistance to the family in finding a new residence, including use of up to two months of any assistance amounts abated pursuant to clause (iii) for costs directly associated with relocation of the family to a new residence, which may include moving expenses and security deposits. The agency may require that a family receiving assistance for a security deposit shall remit, to the extent of such assistance, the amount of any security deposit refunds made by the owner of the dwelling unit for which the lease was terminated.

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"(ix) Tenant-caused damages.—If a 1 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 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. "(x) APPLICABILITY.—This subpara-16 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

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—

implementing this subparagraph.".

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

percentage or higher dollar amount, or both,
than provided for in paragraph $(8)(B)$.
"(B) Limitation.—Notwithstanding the
authority provided under subparagraph (A), the
amount paid for rent (including the amount al-
lowed for tenant-paid utilities) by any family
for a dwelling unit in public housing may not
exceed the amount determined under subsection
(a)(1) of this section. The Secretary shall issue
regulations and establish procedures for public
housing agency calculations and documentation
as are necessary to ensure compliance with this
subparagraph.
"(C) Elderly families and disabled
FAMILIES.—Notwithstanding any other provision
of this Act, this paragraph shall not apply to el-
derly families and disabled families."; and
(F) by adding at the end the following new
paragraphs:
"(7) Reviews of family income.—
"(A) Frequency.—Reviews of family in-
come for purposes of this section shall be made—
"(i) in the case of all families, upon
the initial provision of housing assistance
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 described in clause (ii), after the initial re-3 4 view of the family's income pursuant to subparagraph (A)(i), the public housing 5 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 accordance with such requirements as the Sec-10 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 20 described in this clause is a family who has 21

"(ii) Eligible families.—A family described in this clause is a family who has an income, as of the most recent review pursuant to subparagraph (A) or clause (i) of this subparagraph, of which 90 percent or more consists of fixed income, as such term is defined in clause (iii).

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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

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housing agency or owner may make other adjustments as it considers appropriate to reflect current income.

"(E) Safe Harbor.—A public housing agency or owner may, to the extent such information is available to the public housing agency or owner, determine the family's income prior to the application of any deductions based on timely income determinations made for purposes of other means-tested Federal public assistance programs (including the program for block grants to States for temporary assistance for needy families under part A of title IV of the Social Security Act, a program for Medicaid assistance under a State plan approved under title XIX of the Social Security Act, and the food stamp program as defined in section 3(h) of the Food Stamp Act of 1977). The Secretary shall, in consultation with other appropriate Federal agencies, develop procedures to enable public housing agencies and owners to have access to such income determinations made by other means-tested Federal programs that the Secretary determines to have comparable reliability. Exchanges of such 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 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(0) 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 8(t)(1)(D) of the United States Housing Act of 1937 (42) $U.S.C.\ 1437f(t)(1)(D)$ is amended by striking "income" each place such term appears and inserting "annual adjusted income". 8 (e) Project-based Housing.—Paragraph (3) of section 8(c) of the United States Housing Act of 1937 (42) $U.S.C.\ 1437f(c)(3)$) is amended by striking the last sentence. 10 11 (f) Impact on Public Housing Revenues.— 12 (1) Adjustments to operating formula.—If the Secretary of Housing and Urban Development de-13 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. STANDARDIZED FORMS.—The Sec-16 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

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).

"(5) ELDERLY AND DISABLED FAMILIES.—When recertifying the income of an elderly or disabled family residing in a dwelling unit assisted under this Act, a public housing agency or owner may choose not to enforce the limitation under paragraph (1) or may establish exceptions to such limitation based on eligibility criteria, but only pursuant to a policy that is set forth in the public housing agency plan under section 5A for the agency or under a policy adopted by the owner. Eligibility criteria for establishing exceptions may provide for separate treatment for elderly and disabled families and may be based on different factors, such as age, income, the ability of the family to find suitable alternative housing, and whether supportive services are being provided.

"(6) AUTHORITY TO DELAY EVICTIONS.—In the case of a family residing in a dwelling unit assisted under this Act who does not comply with the limitation under paragraph (1), the public housing agency or project owner may delay eviction or termination of the family based on such noncompliance for a period of not more than 6 months.".

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

(1) in section 3(a)(1) (42 U.S.C. 1437a(a)(1)), by striking the first sentence and inserting the following: "Dwelling units assisted under this Act may be rented, and assistance under this Act may be provided, whether initially or at time of recertification. only to families who are low-income families at the time such initial or continued assistance, respectively, is provided, except that families residing in dwelling units as of the date of the enactment of the Section 8 Voucher Reform Act of 2009 that, under agreements in effect on such date of enactment, may have incomes up to 95 percent of local area median income shall continue to be eligible for assistance at recertification as long as they continue to comply with such income restrictions. When recertifying family income with respect to families residing in public housing dwelling units, a public housing agency may, in the discretion of the agency and only pursuant to a policy that is set forth in the public housing agency plan under section 5A for the agency, choose not to enforce the prohibition under the preceding sentence. When recertifying family income with respect to families residing in dwelling units for which project-based assistance is

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- provided, a project owner may, in the owner's discre-tion and only pursuant to a policy adopted by such owner, choose not to enforce such prohibition. In the case of a family residing in a dwelling unit assisted under this Act who does not meet the requirements under the first sentence of this paragraph or the re-quirements under section 8(0)(4), the public housing agency or project owner may delay eviction or termi-nation of the family based on such noncompliance for a period of not more than 6 months.";
 - (2) in section 8(o)(4) (42 U.S.C. 1437f(o)(4)), by striking the matter preceding subparagraph (A) and inserting the following:
 - "(4) Eligible families.—Assistance under this subsection may be provided, whether initially or at each recertification, only pursuant to subsection (t) to a family eligible for assistance under such subsection or to a family who at the time of such initial or continued assistance, respectively, is a low-income family that is—"; and
 - (3) in section 8(c)(4) (42 U.S.C. 1437f(c)(4)), by striking "at the time it initially occupied such dwelling unit" and inserting "according to the restrictions 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)"; and
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)"; and
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 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". SEC. 6. VOUCHER RENEWAL FUNDING. 18 19 (a) In General.—Section 8 of the United States 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.—

"(1) Authorization of Appropriations.—

There are authorized to be appropriated, for each of

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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 adjust2 ments as the Secretary considers appro3 priate, including adjustments necessary to
4 address changes in voucher utilization rates
5 and voucher costs related to natural and
6 other major disasters.

"(B) Leasing and cost posses of subparagraph (A)(i), leasing and cost data shall be calculated annually by using the average for the preceding calendar year. Such leasing and cost data shall be adjusted to include vouchers that were set aside under a commitment to provide project-based assistance under subsection (o)(13) and to exclude amounts funded through advances under paragraph (3). Such leasing and cost data shall not include funds not appropriated for tenant-based assistance under section 8(o), unless the agency's funding was prorated in the prior year and the agency used other funds to maintain vouchers in use.

"(C) Overleasing.—For the purpose of determining allocations under subsection (A)(i), the leasing rate calculated for the prior calendar year may exceed an agency's authorized voucher 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

of such previously provided and unobligated amounts.

"(D) REPAYMENT.—Amounts advanced under subparagraph (A) in a calendar year shall be repaid to the Secretary in the subsequent calendar year by offsetting the amounts made available for such agency for such subsequent calendar year pursuant to allocation under paragraph (2) by an amount equal to the amount so advanced to the agency.

"(4) Offset.—

"(A) In GENERAL.—The Secretary shall offset, from amounts provided under the annual
contributions contract for a public housing agency for a calendar year, all accumulated amounts
allocated under paragraph (2) and from previous
years that are unused by the agency at the end
of each calendar year, except for an amount not
less than 6 percent of such amount allocated to
the agency pursuant to paragraph (2) for the
preceding calendar year. Notwithstanding any
other provision of law, each public housing agency may retain all amounts not offset under this
subparagraph, and may use such amounts for all
authorized purposes.

1 "(B) Reallocation.—Not later than the 2 latter of April 1 of each calendar year or 75 days after the enactment of an appropriations 3 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

"(i) set aside and subsequently make available such amounts as the Secretary considers likely to be needed, when combined with funds from a central fund or any other source of funds appropriated or made available for such purpose, to reimburse public housing agencies for increased costs related to portability and family self-sufficiency activities pursuant to section 23(h) during such year; and

"(ii) reallocate all remaining amounts among public housing agencies, with priority given based on the extent to which an agency has utilized the amount allocated under paragraph (2) for the agency to serve eligible families and the relative need for

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- additional voucher assistance for use only to
 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	flect 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	curred 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

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

priority shall be given to funding one coordinator at each agency with an existing family self-sufficiency program. The remaining funds shall be prorated based on the number of remaining coordinators to which each agency is entitled under this subparagraph.

- "(D) RECAPTURE.—Any fees allocated under this subparagraph by the Secretary in a fiscal year that have not been spent by the end of the subsequent fiscal year shall be recaptured by the Secretary and shall be available for providing additional fees pursuant to subparagraph (B)(ii).
- "(E) PERFORMANCE STANDARDS.—Within six months after the date of the enactment of this paragraph, the Secretary shall publish a proposed rule specifying the performance standards applicable to funding under clauses (ii) and (iii) of subparagraph (B). Such standards shall include requirements applicable to the leveraging of in-kind services and other resources to support the goals of the family self-sufficiency program.
- "(F) Data collection.—Public housing agencies receiving funding under this paragraph shall collect and report to the Secretary, in such

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manner as the Secretary shall require, information on the performance of their family self-sufficiency programs.

"(G) EVALUATION.—The Secretary shall conduct a formal and scientific evaluation of the effectiveness of well-run family self-sufficiency programs, comparing outcomes of families participating in such programs with families who are not, using random assignment of participants to the extent practicable. Not later than the expiration of the 4-year period beginning upon the enactment of this paragraph, the Secretary shall submit an interim evaluation report to the Congress. Not later than the expiration of the 8-year period beginning upon such enactment, the Secretary shall submit a final evaluation report to the Congress. There is authorized to be appropriated \$10,000,000 to carry out the evaluation under this subparagraph.

"(H) Incentives for innovation and High performance.—The Secretary may reserve up to 10 percent of the amounts made available for administrative fees under this paragraph to provide support to or reward family self-sufficiency programs that are particu-

larly innovative or highly successful in achieving
 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.

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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:

"(A) In General.—Subject to the provisions of this paragraph, in the case of a family on whose behalf rental assistance under section 8(o) has been provided for a period of not less than 12 months prior to the date of receipt of downpayment assistance under this paragraph, a public housing agency may, in lieu of providing monthly assistance payments under this subsection on behalf of a family eligible for such assistance and at the discretion of the agency, provide a downpayment assistance grant in accordance 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	pation in a self-sufficiency program as a condi-
22	tion of a family receiving downpayment assist-
23	ance under this naragraph "

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-

ing the past rent payment history of the individual
with respect to the dwelling unit for which such assistance is provided.

"(2) FORMAT.—The Secretary, after consultation with consumer reporting agencies referred in paragraph (1), shall establish a system and format to be used by public housing agencies for reporting of information under such paragraph that provides such information in a format and manner that is similar to other credit information submitted to such consumer 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:

"(21) Performance assessments.—

"(A) ESTABLISHMENT.—The Secretary shall, by regulation, establish standards and procedures for assessing the performance of public housing agencies in carrying out the programs for tenant-based rental assistance under this subsection and for homeownership assistance under subsection (y).

"(B) Contents.—The standards and procedures under this paragraph shall provide for as-

1	sessment 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(0)(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)(ii)(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-

lies receiving supportive services for
special needs populations, such as individuals who were formerly homeless.

For purposes of the preceding sentence,
the term 'single family properties'
means buildings with no more than
four dwelling units.

"(II) CERTAIN AREAS.—

"(aa) With respect to areas in which fewer than 75 percent of families issued vouchers become participants in the program, the public housing agency has established the payment standard at 110 percent of the fair market rent for all census tracts in the area for the previous six months, the public housing agency has requested a higher payment standard, and the public housing agency grants an automatic extension of 90 days (or longer) to families with vouchers who are attempting to find housing, clause (i) shall be

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applied by substituting '40 per-cent' for '25 percent'; and "(bb) With respect to census tracts with a poverty rate of 20 percent or less, clause (i) shall be applied by substituting '50 per-cent' for '25 percent' and the Sec-retary may, by regulation, estab-lish additional conditions.";

(3) in subparagraph (J)—

(A) by striking the fifth and sixth sentences and inserting the following: "A public housing agency may establish and utilize procedures for maintaining site-based waiting lists under which applicants may apply directly at, or otherwise designate to the public housing agency, the project or projects in which they seek to reside, except that all eligible applicants on the waiting list of an agency for assistance under this subsection shall be permitted to place their names on such separate list. All such procedures shall comply with title VI of the Civil Rights Act of 1964, the Fair Housing Act, and other applicable civil rights laws. The owner or manager of a structure assisted under this paragraph shall not

admit any family to a dwelling unit assisted under a contract pursuant to this paragraph other than a family referred by the public housing agency from its waiting list, or a family on a site-based waiting list that complies with the requirements of this subparagraph. A public housing agency shall disclose to each applicant all other options in the selection of a project in which to reside that are provided by the public housing agency and are available to the applicant."; and

- (B) by inserting after the third sentence the following new sentence: "Any family who resides in a dwelling unit proposed to be assisted under this paragraph, or in a unit to be replaced by a proposed unit to be assisted under this paragraph shall be given an absolute preference for selection for placement in the proposed unit, if the family is otherwise eligible for assistance under this subsection."; and
- (4) by adding at the end the following new subparagraphs:
- "(N) STRUCTURE OWNED BY AGENCY.—Notwithstanding any other provision of law, as part of an initiative to improve, develop, or replace a

public housing site, a public housing agency may attach assistance to an existing, newly constructed, or rehabilitated structure in which the agency has an ownership interest or which the agency has control of without following a competitive process, but only if the agency includes such initiative in its public housing agency plan approved under section 5A and the units that receive such assistance will not receive assistance under section 9. The preceding sentence may not be construed to limit the ability of a public housing agency to attach assistance to structures under other applicable law.

"(O) Leases and tenancy.—Assistance provided under this paragraph shall be subject to the provisions of paragraph (7), except that subparagraph (A) of such paragraph shall not apply. Notwithstanding any other provision of law, for the term of the contract under this paragraph, the owner may terminate tenancy only for serious or repeated violations of the terms and conditions of the lease or for violation of applicable law.

"(P) Allowable transfers.—A public housing agency may, subject to the agreement of

1 the receiving agency, transfer a portion of its 2 vouchers and related budget authority to a public housing agency that administers a program 3 4 under this subsection in another jurisdiction located in the same or a contiguous metropolitan 5 6 area or county. "(Q) Rent flexibility.—If a dwelling 7 8 unit assisted under this paragraph also receives 9 funding from either of the funds established under section 1138 or 1339 of the Federal Hous-10

under section 1138 or 1339 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4568, 4569), the rent for the unit, if agreed upon by both the public housing agency and the owner, may be established at an amount that is less than would otherwise be permitted under paragraphs (1)(B) or (10)(A) of

18 SEC. 12. RENT BURDENS.

this section.".

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19 (a) REVIEWS.—Section 8(o)(1) of the United States 20 Housing Act of 1937 (42 U.S.C. 1437f(o)(1)) is amended 21 by striking subparagraph (E) and inserting the following 22 new subparagraph:

23 "(E) REVIEWS.—

24 "(i) Rent burdens.—The Secretary 25 shall monitor rent burdens and submit a re-

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port to the Congress annually on the percentage of families assisted under this subsection, occupying dwelling units of any size, that pay more than 30 percent of their adjusted incomes for rent and such percentage that pay more than 40 percent of their adjusted incomes for rent. Using information regularly reported by public housing agencies, the Secretary shall provide public housing agencies, on an annual basis, a report with the information described in the first sentence of this clause, and may require a public housing agency to modify a payment standard that results in a significant percentage of families assisted under this subsection, occupying dwelling units of any size, paying more than 30 percent of their adjusted incomes for rent. In implementing the requirements of this clause, the Secretary shall separate out calculations and consideration of families whose rent contributions are calculated under section 3(a)(3) and clauses (ii) and (iii) of paragraph(2)(A) of this subsection.

"(ii) Concentration of Poverty.—
The Secretary shall submit a report to the Congress annually on the degree to which families assisted under this subsection in each metropolitan area are clustered in lower rent, higher poverty areas, which shall include reporting of data by race and ethnicity, and how, and the extent to which, greater geographic distribution of such assisted families could be achieved, including by increasing payment standards for particular communities within such metropolitan areas.

"(iii) Public Housing Agency ReSponsibilities.—Each public housing
agency shall make publicly available the information on rent burdens provided by the
Secretary pursuant to clause (i), and, for
agencies located in metropolitan areas, the
information on concentration provided by
the Secretary pursuant to clause (ii). If a
public housing agency has a high degree of
concentration of poverty, as determined
under a standard to be developed by the
Secretary in accordance with clause (ii), or

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if the percentage of families paying more than 40 percent of their adjusted net income exceeds a percentage level, to be established by the Secretary, the public housing agency shall adjust the payment standard to eliminate excessive rent burdens within a reasonable time period or explain its reasons for not making such adjustment. The Secretary may not deny the request of a public housing agency to set a payment standard up to 120 percent of the fair market rent to eliminate excessive rent burdens in accordance with the preceding sentence, except on the basis that an agency has not demonstrated that its request meets these criteria. If a request of a public housing agency has not been denied or approved with 45 days after the request is made, the request shall be considered 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

in the fair market rental to reduce the payment standard applied to a family continuing to reside in a unit for which the family was receiving assistance under this section at 4 the time the fair market rental was reduced". SEC. 14. SCREENING OF APPLICANTS. 6 (a) In General.—Subparagraph (B) of section 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.— "(i) Function of owner.—Each"; 12 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

based on an applicant's criminal background or any 1 2 other permissible grounds for denial under subtitle F of title V of the Quality Housing and Work Responsi-3 4 bility Act of 1998 (42 U.S.C. 13661 et seg.; 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 after the determination, an opportunity for an infor-12 mal hearing on such determination at which mitigating circumstances, including remedial conduct 13 14 subsequent to the conduct that is the basis of such de-15 termination, shall be considered."; and

(5) by adding at the end the following:

"(iii) Existing assisted families.— Families being provided enhanced vouchers pursuant to subsection (t), families receiving assistance under this Act that are subsequently provided tenant-based assistance pursuant to subsection (dd)(1)(B), and families residing in multifamily housing subject to a mortgage insured under the National Housing Act that are provided tenant-based

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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, disrup-
13	tive (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

restriction on the otherwise lawful possession or use of firearms in federally assisted housing.". 3 SEC. 16. ENHANCED VOUCHERS. 4 (a) Qualification; Election To Remain in Unit.— 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: "(B)(i) the assisted family may elect to re-14 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

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.—

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(1) Enhanced voucher assistance.—Notwithstanding any other provision of law, contract, or covenant, and subject only to the availability of amounts provided in advance in appropriation Acts—

> (A) upon the expiration, pursuant to subparagraph (B), of the use restrictions applicable to the covered properties pursuant to the Emergency Low Income Housing Preservation Act of 1987 (12 U.S.C. 1715l note), each family who is an eligible low-income or moderate income family, as such terms are used for purposes of section 223(f)(2)(A) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4113(f)(2)(A)), and, as of such expiration, is residing in a dwelling unit in the covered properties not covered by projectbased rental assistance, shall be offered enhanced voucher assistance under section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)), and each such family who chooses to remain in the covered properties shall have three years from the date of the issuance of such enhanced voucher to commence use of the voucher;

- (B) such use restrictions applicable to the covered properties shall be deemed to expire on March 1, 2010, but only if the owner of the covered properties enters into agreements with the Secretary to maintain the project-based rental assistance for the properties for a period beginning upon such expiration of not fewer than 20 years; and
 - (C) the contract rents for dwelling units in the covered properties covered by project-based rental assistance shall be determined during the period ending upon the expiration of such use restrictions pursuant to subparagraph (B) based upon the rents for comparable unassisted and unrestricted units in the area in which the covered properties are located; except that before May 1, 2012, the rental assistance payments for such project-based units in the covered property known as Georgetowne Houses II shall be restricted to the rent levels provided under the Emergency Low Income Housing Preservation Act of 1987.
 - (2) Covered properties.—For purposes of this subsection, the term "covered properties" means the 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
- of law, in the case of a multifamily housing project
- 12 with respect to which an eligibility event occurs or
- 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.—

"(i) AUTHORITY.—Project-based vouch-1 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 sistance 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) COVERAGE 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	panding 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(0) 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

- a biennial report detailing the efforts of the Council
 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
- the national press and apacities of owen press each mission
- 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

- date of the enactment of this Act, the Comptroller General shall submit a report to the Congress setting forth the results and conclusions of the study under this section. 3 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.) is amended by adding at the end the following new section: "SEC. 37. HOUSING INNOVATION PROGRAM. 8 9 "(a) Purpose.—The purpose of this section is to establish a program under which public housing agencies are 10 given the flexibility to design, and the Secretary is given the responsibility to evaluate, innovative approaches to providing housing assistance that— 13 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 and increase earned income, and achieve economic 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

- "(B) ADDITIONAL PROGRAM AGENCIES.—
 The Secretary shall also designate such number of additional agencies, which shall not exceed 20, to participate in the program under the terms of subsection (i) as may be necessary to demonstrate other innovative strategies as the Secretary or applicants may propose.
- "(C) Transfer of existing MTW agen-CIES.—The Secretary shall also approve and transfer into the program existing MTW agencies pursuant to subsection (c).
- "(2) DURATION.—The Secretary may carry out the housing innovation program under this section only during the 10-year period beginning on the date of the enactment of the Section 8 Voucher Reform Act of 2009.
- 24 "(c) Participation of Existing MTW Agencies.—

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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-

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

"(d) Additional Agencies.—

"(1) Proposals; selection process.—In addition to agencies participating in the program pursuant to subsection (c), the Secretary shall, within 12 months after such date of enactment, select public housing agencies to participate in the program pursuant to a competitive process that meets the following requirements:

"(A) Any public housing agency may be selected to participate in the program, except that not more than 5 agencies that are near-troubled under the public housing assessment system and/or section 8 management assessment program may be selected, and except that any agency that is a troubled agency under either such assessment program or for which the Secretary has hired an alternative management entity for such

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

"(B) The process provides, to the extent possible based on eligible agencies submitting applications and taking into account existing MTW agencies participating pursuant to subsection (c), for representation among agencies selected of agencies having various characteristics, including both large and small agencies, agencies serving urban, suburban, and rural areas, and agencies in various geographical regions throughout the United States, and which may include the selection of agencies that only administer the voucher program under section 8(o).

"(C) Any agency submitting a proposal under this paragraph shall have provided notice 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-

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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	serving, modernizing, rehabilitating, reconfig-
13	uring, or replacing public housing at risk of

additional affordable housing, providing supportive housing, or increasing the number of
families receiving tenant-based rental assistance,
or a combination of these purposes, and which
may include leveraging other Federal, State, and
local funding sources.

"(B) Rent reforms and family self-sufficiency.—A strategy to implement rent reforms and other self-sufficiency incentives or resources, which shall be designed to help families obtain employment, increase their earned in-

physical deterioration or obsolescence, developing

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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).

"(4) Maintaining Participation Rate.—If, at any time after the initial selection period under paragraph (1), the number of public housing agencies participating in the program falls below the number selected pursuant to paragraph (1), the Secretary shall promptly solicit applications from and select public housing agencies to participate in the program under the terms and conditions for application and selection provided in this section to increase the number of participating agencies to the number initially selected pursuant to paragraph (1).

"(e) Program Requirements.—

"(1) Program funds.—

"(A) In General.—To carry out a housing innovation program under this section, the participating agency may use amounts provided to the agency from the Operating Fund under section 9(e), amounts provided to the agency from the Capital Fund under section 9(d), and amounts provided to the agency for voucher assistance under section 8(o). Such program funds may be used for any activities that are authorized by section 8(o) or 9, or for other activities that are not inconsistent with this section, which 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(0) 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 $8(0)$.
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-

ments for up to 3 years based on modernization or redevelopment activities proposed in an annual plan submitted and approved in accordance with paragraph (11).

Determinations with respect to the number of families required to be served shall be adjusted to reflect any allocation of additional vouchers under section 8(o), any change in annual voucher proration factor, or such other appropriate adjustments as the Secretary may establish. For purposes of subparagraphs (A) and (B), the term 'base year' means, with respect to existing MTW agencies, the first full calendar year prior to approval for entry into the moving to work demonstration. The Secretary shall monitor and enforce compliance with the requirements of subparagraph (A) on an annual basis.

"(3) RETAINED PROVISIONS.—Each agency that is approved for program participation pursuant to subparagraph (A) or (B) of subsection (b)(1) shall comply with all provisions of this Act except those statutory provisions and existing rules and regulations generally identified in the application for participation in the program, except that the Secretary may approve requests by an agency to waive compliance 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 rights of judicial review of agency action as they 11 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-

resentatives on the public housing agency board

of directors).

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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-

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cept that a participating agency may make such designations (at initial designation or upon renewal) for a term of up to 5 years if the agency includes in its annual plan under paragraph (11) an analysis of the impact of such designations on affected households and such designation is subject to the program evaluation. Any participating agency with a designated housing plan that was approved under the moving to work demonstration may continue to operate under the terms of such plan for a term of 5 years (with an option to renew on the same terms for an additional 5 years) if it includes in its annual plan an analysis of the impact of such designations on affected households and is subject to evaluation under subsection (f).

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

"(K) Section 8(0)(13)(B) (relating to a percentage limitation on project-based assistance), except that for purposes of this subparagraph such section shall be applied by substituting '50 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	pating 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.—

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"(A) Before Policy Change.—Before adopting any policy pursuant to participation in the housing innovation program under this section that would make a material adverse change to the requirements of this Act regarding tenant rents or contributions, or conditions of continued occupancy or participation, a participating agency shall complete each of the following actions:

"(i) The agency shall conduct an impact analysis of the proposed policy on families the agency is assisting under the program under this section and on applicants on the waiting list, including analysis of the incidence and severity of rent burdens greater than 30 percent of adjusted income on households of various sizes and types and in various income tiers, that would result, if any, without application of the hardship provisions. The analysis with respect to applicants on the waiting list may be limited to demographic data provided by the applicable consolidated plan, information provided by the Secretary, and other generally 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-
0	scribed in clause (ii).
.1	"(ii) The agency shall hold a public
2	meeting regarding the proposed change, in-
3	cluding the hardship provisions, which may
4	be combined with a public meeting on the
5	draft annual plan under paragraph (11) or
6	the annual report under subsection $(h)(2)$.
7	"(iii) The board of directors or other
8	similar governing body of the agency shall
9	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

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-

ticipation no less often than every two years, which shall include preparing a revised impact analysis, and make available for public inspection and copying, on request, and for access through the Internet, the results of such reassessment and impact analysis. The requirement under this clause may be met by sufficiently detailed interim reports, if any, by the national evaluating entity.

"(iv) The agency shall include in the annual report under subsection (h)(2) information sufficient to describe any hardship requests, including the number and types of requests made, granted, and denied, the use of transition rules, and adverse impacts resulting from changes in rent or continued occupancy policies, including actions taken by the agency to mitigate such impacts and impacts on families no longer assisted under the program.

"(C) APPLICABILITY TO EXISTING MTW
AGENCIES.—An existing MTW agency that, before the date of the enactment of this section, implemented material changes to the requirements

of this Act regarding tenant rents or contributions, or conditions of continued occupancy or participation, as part of the moving to work demonstration shall not be subject to subparagraph (A) with regard to such previously implemented changes, but shall comply with the requirements of subparagraph (B)(ii) and provide the evaluation and impact analysis required by subparagraph (B)(iii) by the end of the second agency fiscal year ending after such date of enactment.

- "(5) Prohibition against decrease in program funds.—The amount of program funds a participating agency receives shall not be diminished by its participation in the housing innovation program under this section.
- "(6) Rent burden.—A participating agency may not adopt rent policies that result in families making substantially higher rent payments than would customarily be made by families of comparable income under the program under which assistance is provided.
- "(7) TIME LIMITS.—A participating agency may implement time limits on the term of housing assistance 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

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

"(C) Public Availability.—Before adoption of any annual plan, and not less than 30 days before the public meeting required under subparagraph (A)(ii) with respect to the plan, the agency shall make the proposed annual plan available for public inspection and copying, on request, and for access through the Internet. The annual plan shall be made available for public inspection not less than 30 days before approval by the board of directors (or other similar governing body) of the agency and shall remain publicly available.

"(D) BOARD APPROVAL.—Before submitting an annual plan or annual report to the Secretary, the plan or report, as applicable, shall be approved in a public meeting by the board of directors 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

any other asset management, project based management or accounting, or other system of allocating resources and costs to participating agency assets or cost centers that the Secretary may otherwise impose under this Act.

"(C) Changes.—If the agency proposes to make material changes in policies or initiatives in the plan during the year covered by the plan, the agency shall consult with the resident advisory board for the agency established pursuant to section 5A(e) and the public regarding such changes before their adoption.

"(D) APPROVAL PROCESS.—

"(i) TIMING.—The Secretary shall review and approve or disapprove each annual plan submitted to the Secretary within 45 days after such submission. The Secretary, directly or through the public housing agency, shall make information relating to such approval or disapproval available to all members of the Resident Advisory Board 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

other matters related to the success of the evaluation, and to assist the evaluating entity and the Secretary in interpreting the findings and formulating recommendations to the Congress to be included in the final report. The Secretary may also establish a separate Technical Advisory Group to provide input on technical issues associated with the evaluation.

"(4) Reports.—

"(A) In GENERAL.—The Secretary shall submit three reports to the Congress, as provided in subparagraph (B), evaluating the programs of all public housing agencies participating in the program under this section and all agencies participating in the moving to work demonstration. Each such report shall include findings and recommendations for any appropriate legislative action.

"(B) Timing.—The reports under this paragraph shall include—

"(i) an initial report, which shall be submitted before the expiration of the 2-year period beginning on the date on which additional agencies are approved for participation 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-

cludes evidence that a policy adopted by an agency is or has been harmful to families assisted by the agency, the Secretary may, after the publication of either the initial or the interim report pursuant to subsection (f)(4)(B), require such agency to take appropriate actions to modify such policy to ameliorate such harm.

"(2) Determination.—The Secretary may not take such action unless the Secretary has made a determination that such policy is causing or has caused measurable harm to families currently or previously assisted, based on a reduction in the overall number of families receiving housing assistance, noncompliance with the provision of subsection (e)(6) (relating to rent burdens), specific types of families losing their housing assistance, a reduction in the number of affordable rental housing units operated by the agency, noncompliance with the requirements of subsection (e)(3)(A) (relating to targeting), or a combination of such factors.

"(3) Advice and opportunity to contest.—
Before taking such action, the Secretary shall advise
the agency and give the agency a fair opportunity to
contest such determination or action. If an agency
contests such a determination or action, the Secretary

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

"(h) Recordkeeping, Reports, and Audits.—

- "(1) Record Keeping.—Each public housing agency participating in the program under this section shall keep such records as the Secretary may prescribe as reasonably necessary to disclose the amounts and the disposition of amounts under the program, to ensure compliance with the requirements of this section, and to measure performance.
- "(2) Reports.—In lieu of all other reporting requirements, each such agency participating in the program shall submit to the Secretary an annual report in a form and at a time specified by the Secretary. Each annual report shall include the following information:
 - "(A) A description, including an annual consolidated financial report, of the sources and uses of funds of the agency under the program, which shall account separately for funds made available under section 8 and subsections (d) and (e) of section 9, and shall compare the agency's actions under the program with its annual 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.
- "(i) Additional Program Agencies.—In partici18 pating in the program under the terms of this subsection,
 19 the public housing agencies designated for such participa20 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(0)
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 disposi-
11	tion 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	$victed\ of\ methampheta mine\ of fenses);$
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-

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-

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gram under this subsection, including a door-todoor information program, monthly newsletters to each resident household, monthly meetings dedicated solely to every aspect of the proposed development, including redevelopment factors, which shall include the one-for-one replacement requirement under paragraph (4), resident rights to return, the requirements of the program under this subsection, new resident support and community services to be provided, opportunities for participation in architectural design, and employment opportunities for residents, which shall make available at least 30 percent of the total hours worked at all such employment, and shall also make available at least 25 percent of unskilled jobs in demolition activities and 25 percent of unskilled jobs in construction activities related to the redevelopment project, including job training, apprenticeships, union membership assistance.

"(D) The plan shall provide for regularly scheduled monthly meeting updates and a system for filing complaints about any aspect of the redevelopment 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 the Secretary pursuant to the moving to work dem-7 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).
 - "(2) BASE YEAR.—The term 'base year' means, with respect to a participating agency, the agency fiscal year or calendar year, as appropriate, most recently completed prior to selection and approval for participation in the housing innovation program under this section.
 - "(3) MOVING TO WORK DEMONSTRATION.—The term 'moving to work demonstration' means the moving to work demonstration program under section 204 of the Departments of Veterans Affairs and Housing

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- and Urban Development, and Independent Agencies
 Appropriations Act, 1996 (42 U.S.C. 1437f note).
- "(4) Participating agencies.—The term 'participating agencies' means public housing agencies designated and approved for participation, and participating, in the housing innovation program under this section.
 - "(5) PROGRAM FUNDS.—The term 'program funds' means, with respect to a participating agency, any amounts that the agency is authorized, pursuant to subsection (e)(1), to use to carry out the housing innovation program under this section of the agency.
 - "(6) RESIDENTS.—The term 'residents' means, with respect to a public housing agency, tenants of public housing of the agency and participants in the voucher or other housing assistance programs of the agency funded under section 8(o), or tenants of other units owned by the agency and assisted under this section.

20 "(k) Resident Technical Assistance.—

"(1) AUTHORIZATION OF APPROPRIATIONS.—
There is authorized to be appropriated for each of fiscal years 2010 through 2014 \$10,000,000, for providing capacity building and technical assistance to 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	priate 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.

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ı	SEC	27	STUDY	OF USE	OF INCOME	DATARASES	TO REDUCE

•	
<i>).</i>	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-
- tion shall take effect upon the expiration of the 6-month
- 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—
- (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
- by the Secretary that such extension is necessary to 13
- 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

111 TH CONGRESS 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