

116TH CONGRESS
1ST SESSION

H. R. 232

To amend the Fair Housing Act, to prohibit discrimination based on use of section 8 vouchers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 3, 2019

Ms. VELÁZQUEZ introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committees on Ways and Means, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Fair Housing Act, to prohibit discrimination based on use of section 8 vouchers, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Landlord Account-
5 ability Act of 2019”.

6 **SEC. 2. CONGRESSIONAL FINDINGS.**

7 The Congress finds that—

8 (1) the United States is in the midst of a hous-
9 ing crisis, as the homeownership rate has declined to

1 64.4 percent, which is lower than it was 20 years
2 ago, while rental demand has increased and pushed
3 vacancy rates down to 7.1 percent;

4 (2) the median rental asking price is \$1,003, up
5 from \$708 ten years ago;

6 (3) in June 2018, United States housing rents
7 hit an all-time high of \$1,405 per month; of the 250
8 largest U.S. cities 88 percent experienced increases
9 in housing rents over the previous year;

10 (4) families and individuals that pay more than
11 30 percent of their income for housing are consid-
12 ered cost-burdened and have difficulty affording
13 other necessities like food, clothing, transportation,
14 and medical care;

15 (5) almost half of all renters in the United
16 States, approximately 19.9 million households, are
17 cost-burdened;

18 (6) 9.7 million extremely low-income renters
19 spend more than 30 percent of their income on rent;
20 of those renters, 8 million are considered severely
21 cost-burdened and forced to spend more than half of
22 their income on rent;

23 (7) the current rental environment makes rental
24 assistance under the Section 8 Housing Choice
25 Voucher Program of the Department of Housing

1 and Urban Development vital to finding affordable
2 housing for many families;

3 (8) the Section 8 Program helps approximately
4 4.5 million low-income families, the elderly, and the
5 disabled afford respectable housing in the private
6 market;

7 (9) the Section 8 Housing Choice Voucher Pro-
8 gram assists our Nation’s most economically vulner-
9 able families—the average annual income for all
10 voucher-funded recipients is only \$14,444;

11 (10) many of the individuals and families as-
12 sisted by the Section 8 Program would be at risk of
13 homelessness without the program;

14 (11) the Section 8 program caps the rental cost
15 for eligible families and individuals at 30 percent of
16 their incomes, which frees up their limited resources
17 to pay for life’s other necessities;

18 (12) although families and individuals assisted
19 under the program are free to choose any available
20 housing in their community, that has not prevented
21 landlords from discriminating against low-income
22 tenants;

23 (13) public housing authorities are experiencing
24 historically low “success rates” as measured by the
25 percentage of families who are receiving housing

1 vouchers that are actually able to use them in the
2 private market;

3 (14) given the strong connection between the
4 classes currently protected under the Fair Housing
5 Act, including race, gender, those with disabilities,
6 familial status, and economic status, establishing a
7 ban on income discrimination would further the
8 goals of the Fair Housing Act and better protect
9 these families and individuals;

10 (15) for many years, landlords have relied on
11 the Section 8 housing program to provide affordable
12 housing to tenants in low-income areas, but as more
13 urban areas have undergone rapid revitalization,
14 property values have risen dramatically;

15 (16) as a result of rising property values, there
16 have been serious allegations that landlords are in-
17 tententionally allowing their federally subsidized units
18 to deteriorate in an effort to drive voucher-users out
19 and convert units to higher, market-rate apartments;

20 (17) in addition, landlords are failing to meet
21 the housing quality standards of the Department of
22 Housing and Urban Development and improperly
23 demanding rent in excess of 30 percent of voucher-
24 holders' incomes; and

1 (18) therefore, it is necessary to ban discrimi-
2 nation against source of income, discourage inten-
3 tional acts to disqualify dwelling units from Federal
4 housing programs, and encourage proper mainte-
5 nance of multifamily housing in order to revive the
6 Section 8 rental assistance program, affirmatively
7 further fair housing policies, and address our na-
8 tional housing affordability crisis.

9 **SEC. 3. PROHIBITION OF DISCRIMINATION ON ACCOUNT OF**
10 **USE OF SECTION 8 VOUCHERS.**

11 (a) IN GENERAL.—Section 804 of the Fair Housing
12 Act (42 U.S.C. 3604) is amended by inserting after para-
13 graph (f) the following new paragraph:

14 “(g) To discriminate in connection with the
15 rental of a dwelling because the tenant or prospec-
16 tive tenant is the holder of a housing voucher.”.

17 (b) DEFINITION.—Section 802 of the Fair Housing
18 Act (42 U.S.C. 3602) is amended by adding at the end
19 the following new paragraph:

20 “(p) ‘Holder of a housing voucher’ means a
21 holder of a voucher for rental assistance under sub-
22 section (o) or (t) of section 8 of the United States
23 Housing Act of 1937 (42 U.S.C. 1437f).”.

1 **SEC. 4. PENALTIES FOR INTENTIONAL ACTS TO DIS-**
2 **QUALIFY DWELLING UNITS FROM ELIGI-**
3 **BILITY FOR FEDERAL HOUSING PROGRAMS.**

4 (a) VIOLATION.—An owner of a dwelling unit that
5 is available for rental may not take any action, or fail to
6 take any action, with the intent to make the dwelling unit
7 insufficiently decent, safe, sanitary, or inhabitable, or
8 cause such other physical condition, so that the dwelling
9 does not qualify for assistance within the jurisdiction of
10 the Department (as such term is defined in section 102(m)
11 of the Department of Housing and Urban Development
12 Reform Act of 1989 (42 U.S.C. 3545(m))).

13 (b) CIVIL MONEY PENALTIES.—Any person who is
14 found by the Secretary of Housing and Urban Develop-
15 ment, after notice and opportunity for a hearing in accord-
16 ance with section 554 of title 5, United States Code, to
17 have violated subsection (a) shall be assessed a civil money
18 penalty by the Secretary in the amount of \$100,000 for
19 each such action or failure to act.

20 (c) LIABILITY TO TENANTS.—A tenant who, at the
21 time of a violation under subsection (a), occupies the
22 dwelling unit to which the violation relates may bring a
23 civil action for damages in the following amounts:

24 (1) \$50,000 for each action or failure to act in
25 violation of subsection (a).

1 (2) Any actual damages and costs to the tenant
2 resulting from the violation, including any costs of
3 finding a replacement dwelling unit.

4 **SEC. 5. RESOURCES FOR RECEIVING AND RESOLVING COM-**
5 **PLAINTS REGARDING MULTIFAMILY HOUS-**
6 **ING PROJECTS.**

7 (a) INCREASED HUD STAFFING FOR COMPLAINT
8 CALL STAFFING.—

9 (1) INCREASED STAFFING.—The Secretary
10 shall, not later than the expiration of the 180-day
11 period beginning on the date of the enactment of
12 this Act, increase the staffing level for the Multi-
13 family Housing Complaint Line established and op-
14 erated by the Multifamily Housing Clearinghouse of
15 the Department so that it is sufficient and appro-
16 priate to handle the volume of calls received without
17 unreasonable waiting periods.

18 (2) AUTHORIZATION OF APPROPRIATIONS.—For
19 carrying out paragraph (1), there are authorized to
20 be appropriated to the Secretary such sums as may
21 be necessary for each fiscal year for carrying out
22 paragraph (1).

23 (b) MULTIFAMILY HOUSING COMPLAINT RESOLU-
24 TION PROGRAM.—

1 (1) IN GENERAL.—The Secretary shall carry
2 out a Multifamily Housing Complaint Resolution
3 Program for receiving complaints about multifamily
4 housing projects from voucher users who reside in
5 such projects and local governmental officials, under
6 which the Secretary shall provide for—

7 (A) gathering of information regarding
8 each such complaint;

9 (B) determining whether there is a likeli-
10 hood that there is any violation of the require-
11 ments under the rental assistance voucher pro-
12 gram relating to such complaint;

13 (C) informing the owner or landlord of the
14 complaint and any violations; and

15 (D) attempting to resolve the complaint
16 and violations, including through mediation.

17 (2) RESOLUTION.—The Secretary may provide
18 for carrying out the activities required under para-
19 graph (1)(D) through regional or field offices of the
20 Department or through such local or private organi-
21 zations or agencies as the Secretary determines have
22 appropriate capabilities and expertise to carry out
23 such activities.

24 (3) FUNDING.—Amounts made available for ad-
25 ministrative fees under section 8(q) of the United

1 States Housing Act of 1937 (42 U.S.C. 1437f(q))
2 shall be available for carrying out the program
3 under this subsection.

4 (4) REGULATIONS.—Not later than the expira-
5 tion of the 12-month period beginning on the date
6 of the enactment of this Act, the Secretary shall
7 issue any regulations necessary to establish the Pro-
8 gram required under this subsection.

9 **SEC. 6. HUD DISCLOSURE OF LANDLORD COMPLAINTS.**

10 (a) PUBLIC DISCLOSURE.—The Secretary shall pub-
11 licly disclose, on a website of the Department and on a
12 timely basis, information regarding each complaint re-
13 ceived under the Program establish pursuant to section
14 5(b), which shall include for each such complaint—

15 (1) the nature of the complaint;

16 (2) the date on which such complaint was sub-
17 mitted to the Department;

18 (3) the disposition, as of the time of such dis-
19 closure, of such complaint; and

20 (4) information identifying the multifamily
21 housing project to which such complaint relates.

22 (b) REPORTS TO CONGRESS.—The Secretary of
23 Housing and Urban Development shall submit a report
24 annually to the Committee on Financial Services of the
25 House of Representatives and the Committee on Banking,

1 Housing, and Urban Affairs of the Senate summarizing
 2 the complaints described in subsection (a) that were re-
 3 ceived by the Department during the preceding year and
 4 describing the disposition to such date of such complaints.

5 **SEC. 7. TAX CREDIT INCENTIVE FOR MAINTENANCE OF**
 6 **MULTIFAMILY HOUSING WITH VOUCHER**
 7 **USER TENANTS.**

8 (a) IN GENERAL.—Subpart D of part IV of sub-
 9 chapter A of chapter 1 of the Internal Revenue Code of
 10 1986 is amended by adding at the end the following new
 11 section:

12 **“SEC. 45T. LOW-INCOME HOUSING MAINTENANCE CREDIT.**

13 “(a) IN GENERAL.—For purposes of section 38, in
 14 the case of an eligible landlord, the low-income housing
 15 maintenance credit determined under this section for the
 16 taxable year is an amount equal to the amount of the tax-
 17 payer’s low-income housing maintenance expenses for such
 18 taxable year.

19 “(b) LIMITATIONS.—

20 “(1) PER UNIT LIMITATION.—The credit al-
 21 lowed under subsection (a) with respect to any tax-
 22 payer for any taxable year shall not exceed the prod-
 23 uct of \$2,500 multiplied by the number of low-in-
 24 come housing units owned by the taxpayer.

1 “(2) PER BUILDING LIMITATION.—The credit
2 allowed under subsection (a) with respect to any tax-
3 payer for any taxable year shall not exceed the prod-
4 uct of \$100,000 multiplied by the number of eligible
5 low-income housing projects owned by the taxpayer.

6 “(3) PER TAXPAYER LIMITATION.—The credit
7 allowed under subsection (a) with respect to any tax-
8 payer for any taxable year shall not exceed
9 \$500,000.

10 “(c) ELIGIBLE LANDLORD.—For purposes of this
11 section, the term ‘eligible landlord’ means any taxpayer
12 for any taxable year if—

13 “(1) such taxpayer owns one or more eligible
14 low-income housing projects during such taxable
15 year, and

16 “(2) either—

17 “(A) each complaint that is filed, under
18 the program under section 5(b) of the Landlord
19 Accountability Act of 2019, during such taxable
20 year with respect to a dwelling unit in an eligi-
21 ble low-income housing project owned by such
22 taxpayer has been determined by the Secretary
23 of Housing and Urban Development to have
24 been remedied not later than the date which is

1 30 days after the date on which such complaint
2 is so filed, or

3 “(B) no such complaint has been filed with
4 respect to such a dwelling unit in such a hous-
5 ing project owned by such taxpayer during such
6 taxable year.

7 “(d) OTHER DEFINITIONS.—For purposes of this
8 section—

9 “(1) LOW-INCOME HOUSING MAINTENANCE EX-
10 PENSES.—The term ‘low-income housing mainte-
11 nance expenses’ means the aggregate amount paid
12 or incurred by the taxpayer during the taxable year
13 for maintenance or improvement of low-income hous-
14 ing units.

15 “(2) ELIGIBLE LOW-INCOME HOUSING
16 PROJECT.—The term ‘eligible low-income housing
17 project’ means, with respect to a taxable year, a
18 housing project—

19 “(A) that consists of five or more dwelling
20 units at least one of which was occupied during
21 such year by a family who rented the dwelling
22 unit using a voucher for rental assistance under
23 section 8(o) of the United States Housing Act
24 of 1937 (42 U.S.C. 1437f(o)); and

1 “(B) with respect to which the eligible
2 landlord has entered into such binding agree-
3 ments as the Secretary of Housing and Urban
4 Development shall require to ensure that rents
5 for dwelling units in the project do not, at any
6 time after the taxable year in which a low-in-
7 come housing maintenance credit under this
8 section is allowable, exceed the applicable fair
9 market rental under section 8(c) of the United
10 States Housing Act of 1937 (42 U.S.C.
11 1437f(c)) for the market area in which the
12 project is located.

13 “(3) LOW-INCOME HOUSING UNIT.—The term
14 ‘low-income housing unit’ means a dwelling unit
15 within an eligible low-income housing project.

16 “(e) AGGREGATION RULE.—All persons treated as a
17 single employer under subsection (a) or (b) of section 52
18 or subsection (m) or (o) of section 414 shall be treated
19 as one person for purposes of applying this section. The
20 credit determined under subsection (a) (after application
21 of subsection (b)) shall be allocated among such persons
22 in such manner as the Secretary may prescribe.

23 “(f) TERMINATION.—No credit shall be determined
24 under this section with respect to any taxable year begin-
25 ning after December 31, 2029.”

1 (b) CREDIT TO BE PART OF GENERAL BUSINESS
 2 CREDIT.—Section 38(b) of such Code is amended by strik-
 3 ing “plus” at the end of paragraph (35), by striking the
 4 period at the end of paragraph (36) and inserting “, plus”,
 5 and by adding at the end the following new paragraph:

6 “(37) in the case of an eligible landlord (as de-
 7 fined in section 45S(c)), the low-income housing
 8 maintenance credit determined under section 45S.”.

9 (c) CLERICAL AMENDMENT.—The table of sections
 10 for subpart D of part IV of subchapter A of chapter 1
 11 of such Code is amended by adding at the end the fol-
 12 lowing new item:

“Sec. 45T. Low-income housing maintenance credit.”.

13 (d) EFFECTIVE DATE.—The amendments made by
 14 this section shall apply to taxable years beginning after
 15 December 31, 2019.

16 **SEC. 8. PUBLIC DISPLAY OF TENANT’S RIGHTS AND COM-**
 17 **PLAINT LINE.**

18 (a) REQUIRED DISPLAY.—An owner of a multifamily
 19 housing project in which three or more voucher users re-
 20 side shall display, at all times and in clear and conspicuous
 21 location on each floor of such project that contains any
 22 dwelling unit, a written notice that includes—

23 (1) a statement describing the rights under
 24 Federal law afforded to tenants of the project who
 25 are voucher users;

1 (2) the phone number for the Multifamily
2 Housing Complaint Line established and operated by
3 the Multifamily Housing Clearinghouse; and

4 (3) the phone number for a regional or local of-
5 fice of the Department which can provide tenants
6 additional information regarding State and local re-
7 sources for tenants.

8 (b) CIVIL MONEY PENALTY.—Any person who is
9 found by the Secretary of Housing and Urban Develop-
10 ment, after notice and opportunity for a hearing in accord-
11 ance with section 554 of title 5, United States Code, to
12 have failed to make a good faith effort to display notice
13 complying with subsection (a) may be assessed a civil
14 money penalty by the Secretary in the amount of \$500
15 for each day of each such failure, except that the Secretary
16 shall waive such penalty in any case in which an owner
17 cures such violation within the 5-day period beginning
18 upon notice by the Secretary of such violation.

19 (c) MODEL NOTICE.—

20 (1) DEVELOPMENT.—Not later than the expira-
21 tion of the 12-month period beginning on the date
22 of the enactment of this Act, the Secretary shall de-
23 velop and publish in the Federal Register a model
24 notice that fulfills the requirements under subsection
25 (a)(1).

1 (2) AVAILABILITY.—The Secretary shall make
2 copies of the notice developed pursuant to paragraph
3 (1) available, upon request, to owners of multifamily
4 housing projects.

5 (d) APPLICABILITY.—Subsections (a) and (b) shall
6 apply beginning upon the expiration of the 60-day period
7 that begins on the date that the Secretary publishes notice
8 in the Federal Register pursuant to subsection (c)(1).

9 (e) REGULATIONS.—Not later than the expiration of
10 the 180-day period beginning on the date of the enactment
11 of this Act, the Secretary shall issue regulations to carry
12 out this section.

13 **SEC. 9. GRANTS FOR TENANT HARASSMENT PREVENTION**
14 **PROGRAMS.**

15 (a) AUTHORITY.—The Secretary may, to the extent
16 amounts are made available for grants under this section,
17 make grants to States, Indian tribes, units of local govern-
18 ment, and nonprofit, nongovernmental affordable housing
19 organizations to develop, expand, or assist tenant harass-
20 ment prevention programs.

21 (b) TENANT HARASSMENT PREVENTION PRO-
22 GRAM.—For purposes of this section, the term “tenant
23 harassment prevention program” means any program or
24 activities designed to protect, assist, or educate tenants
25 of residential rental dwelling units regarding harassing or

1 illegal behavior by their landlords intended to force the
2 tenant to vacate the dwelling unit or surrender any of
3 their rights as tenants. Such term includes programs and
4 activities providing legal assistance, counseling, education,
5 intervention, complaint processes.

6 (c) FEDERAL SHARE.—The amount of a grant under
7 this section for any tenant harassment prevention pro-
8 gram may not exceed 75 percent of the total costs of the
9 program or activities to be carried out, including adminis-
10 trative costs.

11 (d) APPLICATIONS.—The Secretary shall provide for
12 eligible entities specified in subsection (a) to apply for
13 grants under this section, which applications shall describe
14 the tenant harassment prevention program to be assisted
15 with grant amounts, the activities to be carried out under
16 the program, and the projected costs of such activities;

17 (e) SELECTION.—The Secretary shall select appli-
18 cants to receive grants based on criteria that the Secretary
19 shall establish.

20 (f) AUTHORIZATION OF APPROPRIATIONS.—There
21 are authorized to be appropriated \$25,000,000 for each
22 of fiscal years 2020 through 2024 for grants under this
23 section.

1 **SEC. 10. DEFINITIONS.**

2 For purposes of this Act, the following definitions
3 shall apply:

4 (1) **MULTIFAMILY HOUSING PROJECT.**—The
5 term “multifamily housing project” means a housing
6 project consisting of five or more dwelling units.

7 (2) **RENTAL ASSISTANCE VOUCHER.**—The term
8 “rental assistance voucher” means a voucher for
9 rental assistance made available under section 8(o)
10 of the United States Housing Act of 1937 (42
11 U.S.C. 1437f(o)).

12 (3) **SECRETARY.**—The term “Secretary” means
13 the Secretary of Housing and Urban Development.

14 (4) **VOUCHER USER.**—The term “voucher user”
15 means a family who is renting a dwelling unit using
16 a rental assistance voucher.

17 **SEC. 11. REGULATIONS.**

18 The Secretary may issue any regulations necessary
19 to carry out this Act.

○