

The SPEAKER pro tempore (Mr. COSTELLO of Pennsylvania). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HASTINGS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 242, noes 177, not voting 14, as follows:

[Roll No. 49]

AYES—242

Abraham	Gohmert	Mulvaney
Aderholt	Goodlatte	Murphy (PA)
Allen	Gosar	Neugebauer
Amash	Granger	Newhouse
Amodel	Graves (GA)	Noem
Ashford	Graves (LA)	Nugent
Babin	Graves (MO)	Nunes
Barletta	Griffith	Olson
Barr	Grothman	Palazzo
Barton	Guinta	Palmer
Benishek	Guthrie	Paulsen
Bilirakis	Hanna	Pearce
Bishop (MI)	Hardy	Perry
Bishop (UT)	Harper	Pittenger
Black	Harris	Pitts
Blackburn	Hartzler	Poe (TX)
Blum	Heck (NV)	Poliquin
Bost	Hensarling	Pompeo
Boustany	Herrera Beutler	Posey
Brady (TX)	Hill	Price, Tom
Brat	Holding	Ratcliffe
Bridenstine	Hudson	Reed
Brooks (AL)	Huelskamp	Reichert
Buchanan	Huizenga (MI)	Renacci
Buck	Hultgren	Ribble
Bucshon	Hunter	Rice (SC)
Burgess	Hurd (TX)	Rigell
Byrne	Hurt (VA)	Roby
Calvert	Jenkins (KS)	Roe (TN)
Carter (GA)	Jenkins (WV)	Rogers (AL)
Carter (TX)	Johnson (OH)	Rogers (KY)
Chabot	Johnson, Sam	Rohrabacher
Chaffetz	Jolly	Rokita
Clawson (FL)	Jones	Rooney (FL)
Coffman	Joyce	Ros-Lehtinen
Cole	Katko	Roskam
Collins (GA)	Kelly (MS)	Ross
Collins (NY)	Kelly (PA)	Rothfus
Comstock	King (IA)	Rouzer
Conaway	King (NY)	Royce
Cook	Kinzinger (IL)	Russell
Cooper	Kline	Salmon
Costa	Knight	Sanford
Costello (PA)	Labrador	Scalise
Cramer	LaHood	Schweikert
Crawford	LaMalfa	Scott, Austin
Crenshaw	Lamborn	Sensenbrenner
Culberson	Lance	Sessions
Curbelo (FL)	Latta	Shimkus
Davis, Rodney	LoBiondo	Shuster
Denham	Long	Simpson
Dent	Loudermilk	Sinema
DeSantis	Love	Smith (MO)
DesJarlais	Lucas	Smith (NE)
Diaz-Balart	Luetkemeyer	Smith (NJ)
Dold	Lummis	Smith (TX)
Donovan	MacArthur	Stefanik
Duffy	Marchant	Stewart
Duncan (SC)	Marino	Stivers
Duncan (TN)	McCarthy	Stutzman
Ellmers (NC)	McCaul	Thompson (PA)
Emmer (MN)	McClintock	Thornberry
Farenthold	McHenry	Tiberi
Fincher	McKinley	Tipton
Fitzpatrick	McMorris	Trott
Fleischmann	Rodgers	Turner
Fleming	McSally	Upton
Flores	Meadows	Valadao
Forbes	Meehan	Wagner
Fortenberry	Messer	Walberg
Foxo	Mica	Walden
Franks (AZ)	Miller (FL)	Walker
Frelinghuysen	Miller (MI)	Walorski
Garrett	Moolenaar	Walters, Mimi
Gibbs	Mooney (WV)	Weber (TX)
Gibson	Mullin	Webster (FL)

Wenstrup
Westerman
Whitfield
Williams
Wilson (SC)

Wittman
Womack
Woodall
Yoder
Yoho

Young (AK)
Young (IA)
Young (IN)
Zeldin
Zinke

NOES—177

Adams
Aguilar
Bass
Beatty
Becerra
Bera
Beyer
Bishop (GA)
Blumenauer
Bonamici
Boyle, Brendan
F.
Brady (PA)
Brown (FL)
Brownley (CA)
Bustos
Capps
Capuano
Cárdenas
Carney
Carson (IN)
Cartwright
Castor (FL)
Chu, Judy
Ciilline
Clark (MA)
Clarke (NY)
Clay
Clever
Clyburn
Cohen
Connolly
Conyers
Courtney
Crowley
Cucciar
Cummings
Davis (CA)
Davis, Danny
DeFazio
DeGette
Delaney
DeLauro
DeBene
DeSaulnier
Deutsch
Dingell
Doggett
Doyle, Michael
F.
Duckworth
Edwards
Ellison
Engel
Eshoo
Esty
Farr
Foster
Frankel (FL)
Fudge
Gabbard

Gallego
Garamendi
Graham
Grayson
Green, Al
Green, Gene
Grijalva
Gutiérrez
Hahn
Hastings
Heck (WA)
Higgins
Himes
Hinojosa
Honda
Hoyer
Huffman
Israel
Jackson Lee
Jeffries
Johnson (GA)
Johnson, E. B.
Kaptur
Keating
Kelly (IL)
Kennedy
Kildee
Kilmer
Kind
Kirkpatrick
Kuster
Langevin
Larsen (WA)
Larson (CT)
Lawrence
Lee
Levin
Lewis
Davis, Ted
Lipinski
Loeback
Lofgren
Lowenthal
Lowe
Lujan, Ben Ray
(NM)
Lynch
Maloney,
Carolyn
Matsui
McCollum
McDermott
McGovern
McNerney
Meeke
Meng
Moore
Moulton
Murphy (FL)
Nader
Napolitano

Neal
Nolan
Norcross
O'Rourke
Pallone
Pascrell
Payne
Pelosi
Perlmutter
Peters
Peterson
Pingree
Pocan
Polis
Price (NC)
Quigley
Rangel
Rice (NY)
Richmond
Roybal-Allard
Ruiz
Ruppersberger
Rush
Ryan (OH)
Sánchez, Linda
T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schrader
Scott (VA)
Scott, David
Serrano
Sewell (AL)
Sherman
Sires
Slaughter
Speier
Swalwell (CA)
Takano
Thompson (CA)
Thompson (MS)
Titus
Tonko
Torres
Tsongas
Van Hollen
Vargas
Veasey
Vela
Velázquez
Visclosky
Walz
Wasserman
Schultz
Waters, Maxine
Watson Coleman
Welch
Wilson (FL)
Yarmuth

NOT VOTING—14

Brooks (IN)
Butterfield
Castro (TX)
Fattah
Gowdy

Hice, Jody B.
Issa
Jordan
Lujan Grisham
(NM)

Maloney, Sean
Massie
Smith (WA)
Takai
Westmoreland

□ 1433

Mr. RUSH changed his vote from "aye" to "no."

So the resolution was agreed to. The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. CASTRO of Texas. Mr. Speaker, my vote was not recorded on Roll Call Number 48 on the Motion on Ordering the Previous Question on the Rule providing for consideration of H.R. 3700. I am not recorded because I was absent due to awaiting the impending birth of my son in San Antonio, Texas. Had I been present I would have voted NAY.

Mr. Speaker, my vote was not recorded on Roll Call Number 49 on H. Res. 594—Rule

providing for consideration of H.R. 3700—Housing Opportunity Through Modernization Act of 2015. I am not recorded because I was absent due to awaiting the impending birth of my son in San Antonio, Texas. Had I been present I would have voted NAY.

HOUSING OPPORTUNITY THROUGH MODERNIZATION ACT OF 2015

GENERAL LEAVE

Mr. HENSARLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and submit extraneous materials on the bill, H.R. 3700, to provide housing opportunities in the United States through modernization of various housing programs, and for other purposes.

The SPEAKER pro tempore (Mr. CARTER of Georgia). Is there objection to the request of the gentleman from Texas?

There was no objection. The SPEAKER pro tempore. Pursuant to House Resolution 594 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the consideration of the bill, H.R. 3700.

The Chair appoints the gentleman from Pennsylvania (Mr. COSTELLO) to preside over the Committee of the Whole.

□ 1437

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 3700) to provide housing opportunities in the United States through modernization of various housing programs, and for other purposes, with Mr. COSTELLO of Pennsylvania in the chair.

The Clerk read the title of the bill. The CHAIR. Pursuant to the rule, the bill is considered read the first time.

The gentleman from Texas (Mr. HENSARLING) and the gentlewoman from California (Ms. MAXINE WATERS) each will control 30 minutes.

The Chair recognizes the gentleman from Texas.

Mr. HENSARLING. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, today I rise in strong support of H.R. 3700, the Housing Opportunity Through Modernization Act, offered by my friend, Chairman LUETKEMEYER of Missouri.

I want to thank him for his leadership on this bill that he has worked on for many, many months. It represents a true bipartisan approach to housing reform.

I also want to thank his fellow Missourian, the ranking member of the Housing Subcommittee, again, another gentleman from Missouri (Mr. CLEAVER), for his input into this legislation and for his leadership on his side of the aisle as well.

H.R. 3700 passed the Financial Services Committee with broad bipartisan

support back in December. Again, it is designed to help promote greater efficiency in our existing housing assistance programs.

In many different ways, Mr. Chairman, it modernizes a lot of outdated rules and regulations which, in some cases, have not even been updated in a generation. And so, in that respect, it takes the resources that we have and targets it to those who need it the most.

So you will find provisions here dealing with Section 8 rental assistance, public housing, rural housing, homeless assistance, and FHA mortgage insurance for condominiums. It is a very broad bill, and, again, it enjoys bipartisan support.

Let me talk a little bit about what H.R. 3700 doesn't do or what it is not. Few have been more critical about the poor focus of our HUD programs than I have been because, regardless of whatever their good intentions may be, the undeniable truth is current Federal housing policy remains fractured, remains costly, remains inefficient, and oftentimes does not help those who truly need it.

In 2012, the GAO found that 20 different Federal Government entities administer over 160 different programs, tax expenditures, and other tools that support home ownership and rental housing.

The Department of HUD has received approximately more than \$1.6 trillion in real dollars since it was born 50 years ago and today spends over \$45 billion annually on at least 85 active programs, again, many of which have not been modernized or updated in a generation.

And the results of all this?

Well, all too often housing affordability remains a very real challenge for many Americans. Too many neighborhoods still suffer from blight and neglect with substandard housing options for low-income families.

Most tellingly, the national poverty rate has remained essentially unchanged in the 50 years since HUD was first created. Mr. Chairman, we can do better.

Now, we all know that the best housing program is a job, a career path, one with a future. We know that the best housing program is economic opportunity for all, boundless economic opportunity for all. But there are still some that need assistance.

So that is not what this debate is about today. Today the debate is: What can we do on a bipartisan basis? Where can we come to agreement on current existing programs to try to make them work better for the poor and for our low-income people who need assistance through the HUD programs? What is it we can do to help move more people out of poverty to lives of self-sufficiency? How do we reform HUD's complex bureaucratic web of programs? How do we spread economic opportunity to all?

Those should be what our goals are.

H.R. 3700 addresses the question by finding many ways within HUD's bureaucracy to streamline the inspection protocol for rental assistance units, to simplify tenant income review so local housing officials can focus on housing, not data collection, and to target assistance, again, to households with the greatest need.

For the first time, H.R. 3700 will state that any occupant of a public housing unit that exceeds the area median income for 2 consecutive years either gives up their government subsidy or moves out of the unit. That provides more resources for those who deserve it.

H.R. 3700 also addresses the problem of over-income occupants. It creates for the first time a financial asset test for public housing residents. Currently, there is only a one-time income test.

Again, these are just two ways, Mr. Chairman, that we ensure that the resources that are devoted to these housing programs are targeted to those who are most in need.

I could go on and on about the benefits of the bill. But let me just say that, with any great project, there are those who are always saying we could do more. And, yes, we could do more, and we are working faster to implement even more reforms.

But today represents a start of a process, not the end of a process, a very ambitious project to transform how we deliver government housing assistance in America and help people graduate from Federal assistance to lives of self-sufficiency and financial independence.

Again, I congratulate the gentleman from Missouri, the chairman of our Housing and Insurance Subcommittee, for his great leadership.

I commend the ranking member of that committee as well for working on a bipartisan basis.

I hope all Members will support H.R. 3700. It is a bipartisan first step in fixing a broken housing system that we have.

I reserve the balance of my time.

Ms. MAXINE WATERS of California. Mr. Chair, I yield myself as much time as I may consume.

Mr. Chairman, we are here today to discuss H.R. 3700, but I would like to start by saying how pleased I am that we are focusing on housing.

This is the first major housing bill that the Financial Services Committee has considered in the past several Congresses, and I hope that we can spend a lot more time focusing on the dire housing needs of low-income families in America as we move forward.

□ 1445

Today, only one in four households in this country who are eligible to receive housing assistance actually receive it, and there is a severe deficit of over 7 million rental units that are both affordable and available to extremely low-income Americans.

Furthermore, according to HUD's most recent point-in-time count, there

are nearly 600,000 Americans who are homeless in this country—a staggering number I find simply unconscionable. These statistics demonstrate that we must come together to make reforms to Federal housing programs, but also to commit new resources to tackle the extreme lack of affordable housing in this country.

I spend a lot of time visiting and talking with housing and homeless services providers. Recently, I visited the Downtown Women's Center in Los Angeles and N Street Village here in D.C. These homeless service providers are helping women and families get off the streets and into safe, decent, affordable, and supportive housing. Organizations such as these are not just applying compassion, they are applying evidence-based approaches to addressing homelessness in the most effective ways.

H.R. 3700 is a step in the right direction because it directly responds to concerns that I have heard over and over again from these housing and homeless service providers about how Federal housing programs can better support their efforts.

This bill would make several incremental changes across a number of Federal housing programs that will allow us to better serve low-income families in need of housing assistance while also relieving certain administrative burdens. These changes would affect public housing, section 8 Tenant and Project-Based Rental Assistance, the Federal Housing Administration, the Rural Housing Service, and HUD's homelessness programs, among others.

Many of the provisions are common-sense reforms that are long overdue. For example, this bill includes the text of my bill, the Project-Based Voucher Improvement Act of 2015, which would increase flexibility for public housing authorities to develop new units of housing to serve vulnerable populations, including those who are homeless in this country. It would also help to create housing opportunities in areas where vouchers are difficult to use.

Several national and local tenant advocacy organizations and affordable housing industry groups have expressed support for my bill. In addition, a number of other provisions in H.R. 3700 were included in previous section 8 reform bills that I have introduced. I am pleased that my Republican colleagues have expressed their support for these provisions that I have long advocated.

At the markup of this bill, I raised a serious concern that I had with one of the provisions in H.R. 3700 because it would effectively raise rents for low-income families with children who are living in certain HUD-assisted housing. I voted against the bill in committee. Although I voted against the bill at the committee markup for this reason, I am very pleased to say that I have worked, and my staff has worked, with my Republican colleagues so that we could find some common ground, and

they have indicated that they will support my amendment that I have offered to address this issue.

I am encouraged that my Republican colleagues shared in my concerns and that we were able to reach a meaningful compromise on this issue.

Mr. Chairman, that is why I am now urging my colleagues to vote “yes” on H.R. 3700. It is high time we came together to pass a bipartisan housing bill.

Mr. Chairman, I reserve the balance of my time.

Mr. HENSARLING. Mr. Chairman, I yield 4 minutes to the gentleman from Missouri (Mr. LUETKEMEYER), the chairman of the Housing and Insurance Subcommittee of the Financial Services Committee. He happens to be the author of the bill.

Mr. LUETKEMEYER. Mr. Chairman, I would like to thank Chairman HENSARLING, Ranking Member WATERS, and especially my good friend from Missouri, the ranking member, Mr. CLEAVER. We have had a labor of love with this bill, and it took two guys from the Show Me State to show them how to do it. We are excited about that, and I want to give a special shout-out to him.

Mr. Chairman, when I took the gavel of the Financial Services Subcommittee on Housing and Insurance, I told my colleagues I wanted to work with them across party lines to make meaningful changes that benefit all Americans. H.R. 3700 represents a major step forward, one to reform a system that is in many instances outdated, duplicative, and burdensome.

As a body, we should be committed to creating a more efficient government and greater opportunity for the American people and American businesses. H.R. 3700 helps us meet those commitments.

This legislation promotes greater efficiency in housing assistance programs and modernizes outdated rules and regulations, which in some cases have not been updated in more than a generation. H.R. 3700 streamlines the inspection protocol for rental assistance units, simplifies the income recertification policies for assisted households, clarifies homeless assistance program requirements, delegates rural housing loan approval authority, and provides targeted flexibility between public housing operating and capital funds.

H.R. 3700 also gives State and local housing agencies and private owners enhanced flexibility in meeting key program objectives such as reducing homelessness, improving access to higher-opportunity neighborhoods, and addressing repair needs of public housing.

The bill also, for the first time in over 30 years of public housing policy, provides a thoughtful limitation on public housing tenancy for over-income families. Importantly, this legislation also pays special attention to our homeless veterans and children aging

out of foster care, two vulnerable communities that need our support today.

H.R. 3700 does all of this and still manages to save the taxpayers money. CBO estimates that the underlying bill saves \$311 million over 5 years.

I will be the first to point out that H.R. 3700 will not necessarily change the world. It won't overhaul HUD or the Rural Housing Service, end homelessness overnight, or meet the overwhelming need for affordable housing. But it is a significant step in the long journey to reforming a broken system.

The majority of the provisions in this bill were agreed to years ago by Members of Congress, housing advocates, and industry groups. H.R. 3700 is a set of solutions on which all parties, in Congress, industry, and advocacy, have agreed and can agree.

Mr. Chairman, this legislation presents a bipartisan effort that has been drafted and debated over the past 6 months. I want to thank again Chairman HENSARLING for his support and Ranking Member WATERS for her work on the bill, which passed the Financial Services Committee in December by an overwhelming bipartisan vote of 44-10.

I also want to recognize my good friend, the ranking member, Mr. CLEAVER from Missouri. Without his tireless efforts, this bill would be very difficult to have accomplished anything with.

Housing policy isn't easy. It is emotional. It touches lives. It sets the stage for future generations. Because it is so important, it isn't always easy to find policies on which we all agree. With H.R. 3700, we have an opportunity to show the Nation that we are committed to working together, and with a diverse group of stakeholders, for the American people.

Mr. Chairman, I urge my colleagues to support this legislation, and I urge the Senate to consider it without delay so we can break a status quo that benefits too few at the cost of too many.

Ms. MAXINE WATERS of California. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri (Mr. CLEAVER). He is the leading Democratic sponsor of this bill, a member of the Financial Services Committee, and the ranking member of the Subcommittee on Housing and Insurance.

Mr. CLEAVER. Mr. Chairman, I came to Congress, and because of my own experiences, I only had one ambition other than being a Member of Congress, and it was to take leadership in the Subcommittee on Housing and Insurance because, experientially, I thought I had experiences that might help. And secondly, having served as mayor, we dealt a lot with housing in Missouri's largest city. I had this opportunity. And I want to thank Ms. WATERS for the opportunity to be the lead Democrat on the Housing and Insurance Subcommittee.

I think it was fortunate, maybe even fortuitous, that two Missourians ended up working together, and we were able to, I think, do some things that prob-

ably might not have been done otherwise because I think we both have a spirit of working together, and it ended up in a good product. But that wouldn't have taken place without the chairman and the ranking member.

I lived in 404-B Bailey public housing in Wichita Falls, Texas. I went by on Christmas, and I just parked there for a long time and looked at the kids running around playing, thinking I used to do that on that same little piece of dirt that we called a yard. I wondered about the kids who were in that unit. Will they eventually have the opportunities that I was blessed to have? Or would they suffer the fate of many others with whom I grew up?

I thought in part we might be able to do some things here that will help the little boy I saw running around playing in front of the unit I once lived in with my mother, father, and three sisters. I think we have done this. These are probably the most sweeping changes in HUD regulations in a quarter of a century, perhaps ever; and what we have done is we have remodeled, or refashioned, or recast, or redesigned many of the programs impacting HUD.

I do not disagree with Chairman HENSARLING that we do have a great deal of redundancy in programs that we run with HUD and USDA. I do think at some point there is a need for us to get things molded a little bit better, but that is not going to take place I don't think any time soon.

I support H.R. 3700 because I had the opportunity to understand what these changes mean. I also need to say before I go any further that I don't believe that compromise means capitulation. In fact, I don't think democracy can work without comity and compromise. I think they are inseparable parts of democracy. So there are parts of this bill that I am not as thrilled with, as other parts, but that is what happens in a democracy.

Again, I cherish the opportunity to work with people who are willing to move and shake and move and shake and shake and move to get something to the floor.

The bill will streamline the inspection and income review process for families living in section 8 units. We are making, in this legislation, some very badly needed changes to the project-based voucher program by allowing a public housing authority, PHA, to project-base up to 20 percent of its authorized voucher allocation, rather than 20 percent of the voucher funding that we give. And then we give PHAs more flexibility with their funds by allowing them to transfer up to 20 percent of their capital funds to the operating fund.

Mr. Chairman, what this allows is for people who are on the ground, working with people, understanding where they need to have funds, the opportunity to move those funds around without violating any of the HUD regulations.

It helps our foster children by expanding eligibility for the Family Unification Program from the current

limit of 21 years of age to 24 years of age, and it increases the length of stay from 18 months to a maximum of 36 months. It also—and I think this is important—expands the eligibility of individuals who will leave foster care within 90 days.

Mr. LUETKEMEYER. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. NEUGEBAUER), who is the chair of the Subcommittee on Financial Institutions and Consumer Credit.

Mr. NEUGEBAUER. Mr. Chairman, I want to thank Chairman LUETKEMEYER and Ranking Member CLEAVER for their work on this very important piece of legislation.

I have been in the housing business probably for over 40-some-odd years. I have been involved in every aspect of it, from low-income housing, to rental housing, to new housing, to resale housing. One of the things that I have recognized over the years is what an important part housing is to the fabric of our country, how important housing is to families, and how people enter into the housing market in different ways. Certainly there are folks that go into market-based rental housing, and then there are folks that aren't quite ready to do that. Maybe they are getting started or have had a difficulty in their life, so lower-income housing provides an opportunity for them.

I think the goal of the housing programs over the years is to provide low-income housing as a stepping stone and not a permanent residence. One of the things I like about H.R. 3700 is that it encourages that process. It has been brought up in a number of these programs, and over the years sometimes a good idea spreads around. We have spent a lot of time probably creating new housing programs and probably spent a lot of time increasing the funding for housing programs, but in many cases maybe we didn't stop and do the review and make sure that the programs that we had put in place were efficient in delivering the services that needed to be delivered and helping those families accomplish the goal of moving through the housing cycle.

□ 1500

So one of the things that I like about this bill is that these families that have—in fact, the goal has been to increase their livelihood, and they have gotten better jobs and their income has increased. It is time, then, for those folks to move on. Because what we know is—and those statistics have been, I think, brought out today—we have got a number of people in the waiting line to get into some of this housing to better their lives. It is not fair that people whose incomes have far surpassed incomes that it takes to qualify to live in them should continue to do that.

So affluent families must pay market rental rates or they have got to leave the public housing arena. Higher asset families must leave public housing.

That is a normal cause. That is not cruel. That is just the way that these programs were designed to work.

The other thing, though, is we have a responsibility not only to the families and individuals around our country, but we have a responsibility to the United States of America. One of the things that I think is important about this piece of legislation is it doesn't really mess with mandatory spending but is, according to CBO, going to save \$300 million over 5 years.

What that points out—and this is done really without cutting any of the programs, but just cutting some efficiencies in those programs to make sure that those programs are being administered appropriately—is, if there are some regulatory things that are keeping people from operating some of these public housing facilities in a way that maximizes the benefit, then we give them some flexibility to do that by reducing some duplicative regulatory processes and, more importantly, empowering the local entities and the local operators of this public housing to be more innovative and creative.

As I have had an opportunity to visit some of our public housing facilities in my district, the 19th Congressional District, and sit down with a lot of those administrators, what they tell me is: RANDY, if we could have more flexibility, we know how to deliver this service much more efficiently than we have today. But in many cases, the Federal regulation is inhibiting their ability to be able to implement some of those things.

I want to commend the two gentlemen from Missouri for their outstanding work. Yes, we could probably do more, but the good thing is we got started. I think we are off to a good start, so I encourage my colleagues to support H.R. 3700.

Ms. MAXINE WATERS of California. Mr. Chairman, I yield 3 minutes to the gentlewoman from Wisconsin (Ms. MOORE), the ranking member of the Monetary Policy and Trade Subcommittee of the Committee on Financial Services.

Ms. MOORE. Mr. Chairman, I thank Ranking Member WATERS for yielding. I rise in support of H.R. 3700, as amended by Ranking Member WATERS.

This is what you call regular order, folks. This bill came out of committee with a significant flaw that would have had a very negative impact on families and children and the ability of low-income people to deduct childcare expenses. If it were not fixed, it would have effectively raised rent on thousands of low-income families with children.

I just want to commend my colleagues, Ms. WATERS and Mr. CLEAVER—Ms. WATERS in particular—for really catching this flaw. But I also want to commend the Republicans who, instead of just taking their position as being in the majority and saying “we don't have to listen to you,”

continued to engage with us to fix this. Literally, the math did not work out.

I can tell you as once a single parent and as a grandmother, I know about the budget-busting cost of child care. I also know how central housing policy and access to child care is critical to positive social outcomes for children.

So often we demand that poor people, and especially women, pull themselves up by their bootstraps. We have programs that are designed to help them. But then what we do is we put program features in place that really cancel out the benefits of these programs.

But this bill, H.R. 3700, as amended by the ranking member, eliminates the unintended consequences for poor people who are raising children. Ranking Member WATERS and subcommittee Ranking Member CLEAVER have both been powerful advocates for affordable housing on the Financial Services Committee. I am so pleased to join them in fighting for these changes.

H.R. 3700 is supported by the National Association of Realtors, the National Alliance to End Homelessness, and the Center on Budget and Policy Priorities, among the over two dozen groups supporting it.

I urge adoption of the legislation, as amended by Ms. WATERS.

Mr. LUETKEMEYER. Mr. Chairman, I yield 2 minutes to the gentleman from New Mexico (Mr. PEARCE), the vice chairman of the Financial Institutions and Consumer Credit Subcommittee.

Mr. PEARCE. Mr. Chairman, I thank the gentleman for yielding.

About 5 years ago, I was in Roswell, New Mexico, at a meeting with veteran constituents. We were talking about policies and things like that. After about an hour, suddenly one gentleman overlooked in the whole group blurted out, “I am living in a rat hole.” It just caught us all by surprise. We dismantled the discussion there, and we went immediately to look at his house. Over the next 2 years, that community gathered money and businesses came together. They tore down the man's house and rebuilt it.

The problem is that not everyone out there can get access to communities and local businesses to help them through the problems, so we have the housing programs which are set up. Unfortunately, they are mired in bureaucratic red tape. We soak up the dollars that should be helping people with administrative burdens that make no sense, with duplicative requirements to go through the processes.

I commend both sides of the aisle, Mr. LUETKEMEYER and Ms. MAXINE WATERS of California, for pushing this reform because it will allow us to direct the money to where it should be going.

Many times we think that we disagree with each other about policies. The truth is there is not significant disagreement that we should be helping those at the lowest income levels to raise themselves up. It is through their

progression towards prosperity and towards just making ends meet that we get rid of some of the deepest problems in our social cost of the government. It is not that we disagree; it is that sometimes we get trapped and that that program doesn't work very well so we want to cut funds.

I really think that this is a very important step today where we are trying to modernize the systems that are delivering help to those that need it the most in the belief that the human spirit will actually take those steps to make their own way out once we help them stabilize.

Again, just thanks for the work on both sides of the aisle.

I urge support of H.R. 3700.

Ms. MAXINE WATERS of California. Mr. Chairman, I yield 3 minutes to the gentlewoman from Alabama (Ms. SEWELL), a member of the Financial Services Committee.

Ms. SEWELL of Alabama. Mr. Chairman, I rise today in support of H.R. 3700, the Housing Opportunity Through Modernization Act, as amended by Ranking Member WATERS.

While not a perfect bill, H.R. 3700 has been made considerably better by the amendment offered by Ranking Member WATERS. There are other amendments that I would love to see, including my own, but I must tell you that this bill does represent true bipartisanship. It is a major bipartisan step towards helping preserve our scarce housing resources while expanding housing opportunities and homeownership opportunities.

More specifically, this legislation makes critical changes that would help improve and expand the Section 502 Guaranteed Rural Housing Loan Program. This program helps provide low- and moderate-income households with homeownership opportunities in rural areas, like the Seventh Congressional District of Alabama, which I am so proud to represent.

The sad reality is that too often, rural America faces severe barriers and obstacles to obtaining quality and affordable housing. This is largely due to the limited access to affordable mortgage credit.

The Section 502 Guaranteed Rural Housing Loan Program is designed to target rural residents who have a steady low or moderate income yet are unable to obtain adequate housing through conventional financing. Essentially, this program encourages private lenders to extend credit to responsible and creditworthy borrowers in rural America.

H.R. 3700 would help the Department of Agriculture improve and expand the Section 502 Guaranteed Rural Housing Loan Program by delegating loan approval authority to certain participating lenders. This is similar to the authority that the Secretary of the Department of Housing and Urban Development currently has for Federal Housing Administration's programs, and this legislative proposal was included in the President's FY 2016 budget.

This is a commonsense and pragmatic measure that will help improve the efficiency of an important rural housing program so that it can reach even more rural families. It is critically important that we continue to provide the necessary tools and incentives to help ensure all Americans are able to realize their dream of homeownership.

I want to commend my colleague from Missouri. I especially want to commend my colleague Congressman CLEAVER for his tireless leadership on this effort. I want to thank the chairman and ranking member for their efforts.

I urge all of my colleagues to support H.R. 3700.

Mr. LUETKEMEYER. Mr. Chairman, I yield 2½ minutes to the distinguished gentleman from North Carolina (Mr. PITTENGER).

Mr. PITTENGER. I thank Chairman LUETKEMEYER for his leadership on this bill, and I appreciate deeply the support and leadership of Congressman CLEAVER.

Mr. Chairman, today I rise in support of H.R. 3700, the Housing Opportunity Through Modernization Act, which contains provisions that expand housing opportunities while protecting American taxpayers.

This bipartisan legislation provides commonsense efforts for streamlining and reducing regulatory burdens for organizations working with HUD.

This bill looks to correct many wrongs within our housing system while also simplifying certification processes and providing permanent authority for direct endorsement for approved lenders to approve rural housing service loans.

Mr. Chairman, condominiums are often the first step on the housing ladder for first-time homeowners. They also can be the most affordable and desirable option for single people, young families, and those looking to downsize. Unfortunately, current FHA regulations prevent buyers from purchasing condos. H.R. 3700 eases restrictions, allowing more opportunity for homeownership.

This bill reins in duplicative and overly burdensome regulations, which not only create a slower process, but also increase government workload all without affecting any changes to direct spending.

Mr. Chairman, housing assistance should be solely for those who need it most of all, and this bill takes aim at ensuring this. For the first time in 80 years, this legislation provides limitations on public housing tenancy for over-income families.

Ms. MAXINE WATERS of California. Mr. Chairman, I yield 3 minutes to the gentlewoman from California (Ms. LEE), a member of the Appropriations Committee and someone who has been focused on dealing with poverty.

Ms. LEE. Mr. Chairman, let me thank our ranking member, Congresswoman WATERS, for leading and also

for her tremendous leadership on the Financial Services Committee as our ranking member. She has been phenomenal in terms of making sure that our legislation is bipartisan. Also, I remember serving on the Subcommittee on Housing and Insurance for many, many years with Congresswoman WATERS, and she constantly worked to make sure that people had access to affordable, accessible, clean, and safe housing. She has not wavered on that agenda. So I thank her very much.

The need for affordable housing has never been greater. That is why I am very happy to be here today to support the Housing Opportunity Through Modernization Act of 2015. This bill would make critical improvements to our Nation's public and assisted housing programs, and takes steps to ensure that low-income communities have access to safe and affordable housing.

Now, let me just tell you, in my district in Oakland, California, rents have risen faster than anywhere else in the Nation. In fact, if the average Oakland renter had to move tomorrow, they would be spending a staggering 70 percent of their income on housing—70 percent of their income. That is outrageous. My constituents, like many constituents around the country, can't afford this, so this is a crisis.

□ 1515

This bill takes steps to address this issue by protecting voucher holders from losing their subsidies when fair market rents drop, which is something that recently had a major impact on my community. Thankfully, with the help of Congresswoman WATERS and our Secretary of HUD, we were able to navigate the agency's redtape to find a solution so the tenants could keep their assistance and stay in their homes.

I support this bill and the critical amendments offered by Congresswoman WATERS and Congressmen PRICE and ADERHOLT.

It is also important that we update the formula that is used to distribute funds under the Housing Opportunities for Persons with AIDS to reflect the changing nature of the HIV/AIDS epidemic and to ensure those communities in greatest need receive critical HOPWA funds. This is one issue that Congresswoman WATERS has been working on for many, many years to make sure these funds are targeted to the people and to the communities who need it the most.

The bill allows for homeownership for those whose American Dream of such has been shattered. Thank goodness, in this bill, we now have provisions that will allow that dream to be fulfilled.

I thank Congressman CLEAVER as well as our majority and minority members for this bill.

From just a very parochial point of view, in my district, I have to say how badly needed this bill is, as

gentrification is a big issue. My constituents constantly ask me what the Federal Government can do, and this is a major step in that direction.

Mr. LUETKEMEYER. Mr. Chairman, I yield 2½ minutes to the gentleman from Kentucky (Mr. BARR).

Mr. BARR. I thank the chairman.

Mr. Chairman, I rise in strong support of H.R. 3700, which is a modest but important first step to improving Federal housing policy through several commonsense reforms.

For the first time in HUD's 50-year history, there will now be a flexible formula directing over-income families to pay greater shares of their subsidized rents or to move out of public housing. Incomes and assets will be reevaluated to target assistance to those who are truly in need.

There are wait lists across the country for scarce public housing resources and Section 8 vouchers. I have listened to homeless advocates and to my constituents at the Lexington Housing Authority in Kentucky about the waiting lists that exist in my own district. A 2015 HUD audit found that 25,000 families had incomes too high to qualify for assistance; yet the families remained in taxpayer subsidized housing. Some of those families actually derived income from renting other residential properties that they, themselves, owned. One family highlighted in the report had a combined income of \$498,000.

Policy failures such as these not only waste taxpayer dollars, but, more importantly, they hurt those in need who might otherwise have roofs over their heads. I hope this bipartisan initiative is a down payment on the further reform of Federal housing programs.

Several of my colleagues and I are developing an empowerment agenda to holistically reform Federal assistance programs from housing to nutrition to workforce development. We start with the recognition that the Federal Government now runs more than 80 different antipoverty programs at an annual cost of nearly \$1 trillion; yet, after 50 years of this strategy, the poverty rate has barely budged from where it was in 1965. The goal is to assist Americans to achieve their God-given potential and to restore the American Dream to where the condition of one's birth does not determine the outcome of one's life.

I look forward to working with my colleagues on both sides of the aisle and with members of this subcommittee in leveraging the empowerment agenda to craft additional reforms to Federal housing policies, which will improve outcomes by recognizing that poor Americans are not liabilities to be managed by some remote bureaucracy in Washington but who are untapped assets who can achieve the American Dream.

I congratulate Chairman LUETKEMEYER and Ranking Member CLEAVER for their work on this bill.

I urge my colleagues to vote in favor of H.R. 3700, and I invite my colleagues

on both sides of the aisle to join in additional efforts to reform HUD and to more effectively combat poverty.

Ms. MAXINE WATERS of California. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DESAULNIER).

Mr. DESAULNIER. I thank the gentlewoman for yielding.

Mr. Chairman, with this bill, we have an opportunity to address an inequity with how the Department of Housing and Urban Development treats condominiums, particularly in senior communities.

Across the country and in my district in the Bay Area, condo communities have been missing out on access to mortgages due to an unnecessarily restrictive rule. The rule's intent is good, but, in practice, it unduly harms seniors, families, and communities.

One community in my district in the East Bay of the Bay Area, Rossmoor, is home to thousands of seniors, many of whom need access to HUD-backed mortgages to enhance their financial security. I am pleased that this bill is a step in the right direction to allow these residents and residents in other condo communities around the country to benefit from the same mortgage rules that are available to other homeowners.

I appreciate the hard work done by the chairman and ranking member of the subcommittee on this important issue, and I look forward to working with them to continue to protect these deserving communities.

Mr. LUETKEMEYER. Mr. Chairman, I yield 2½ minutes to the distinguished gentleman from Pennsylvania (Mr. ROTHFUS), one of our young and up-and-coming members of the Financial Services Committee.

Mr. ROTHFUS. I thank the chairman.

Mr. Chairman, for decades, the Federal Government has spent over \$1.6 trillion in an attempt to accomplish the laudable goal of ensuring that all Americans have access to affordable, decent housing.

I have visited many affordable housing sites during my time in Congress to listen to the concerns of residents, managers, and community leaders. In fact, just 2 weeks ago, I visited a public housing facility that is managed by the Housing Authority of Beaver County. These meetings and visits have underscored the importance of our housing assistance programs. If administered correctly, these efforts can be truly transformative for hardworking Americans. I have met many Pennsylvanians who have improved their lives and who have brightened their families' futures thanks, in part, to targeted Federal housing assistance provided to them in their time of need.

However, there are also cases in which outdated rules, waste, fraud, abuse, and general inefficiency have made it difficult to direct resources to those who need them the most. There are also instances in which housing as-

sistance programs have failed to help people lift themselves out of poverty. Members of both parties recognize this reality and have worked together to identify areas for improvement. H.R. 3700, the Housing Opportunity Through Modernization Act, is a bipartisan, commonsense bill that addresses many of these issues.

Among other things, this legislation makes it easier for tenants, owners, and investors to navigate rental assistance programs by reducing duplicative and inefficient regulations that make it harder to rent or to operate affordable housing. The Housing Opportunity Through Modernization Act also incorporates safeguards to prevent well-off families from using scarce public housing units. We can all agree that housing assistance programs should be reserved for those who need help the most. This legislation also provides flexibility to public housing agencies in using Federal funds to meet local needs more effectively.

I am a proud cosponsor of this legislation, and I encourage my colleagues to support this bipartisan effort to improve Federal housing assistance. We owe it to the many Americans who rely on these programs to enact this legislation's reforms.

Ms. MAXINE WATERS of California. Mr. Chairman, I yield myself such time as I may consume.

This bill contains several provisions which I wholeheartedly support and would like to see passed into law.

For example, this bill includes a few provisions that were taken straight from bills that I have authored, including the text of my Project-Based Voucher Improvement Act of 2015, which would increase the flexibility for public housing authorities to develop new units of housing to serve vulnerable populations, including those who are homeless in this country. It would also help to create housing opportunities in areas where vouchers are difficult to use.

I introduced the Project-Based Voucher Improvement Act to address the severe lack of affordable housing, which is contributing to the epidemic of homelessness across the country. The Section 8 project-based voucher program is a valuable tool to help preserve and create more affordable housing, especially for the poorest and most vulnerable populations. Essentially, it helps housing providers leverage outside financing in order to create and maintain affordable housing in their communities.

My bill would help us maximize the effectiveness of this critical program by facilitating the ability of PHAs to enter into agreements with private and nonprofit owners and to partner with social service agencies to provide supportive housing. This will, ultimately, help provide stable housing for our most vulnerable populations.

Gaining access to affordable housing is becoming harder and harder for far too many families. We are in the midst

of a homeless crisis in my district and in many districts around the country, and we need more affordable housing to help get vulnerable populations off the streets. By making this Section 8 project-based voucher program easier to use, we could help to overcome this challenge.

I hope that the information that has been shared by some of my colleagues has not been lost. I certainly hope that we all heard what Congresswoman BARBARA LEE said about residents who are paying 70 percent of their income for housing, and it has become commonplace around this country for our citizens to be paying 50 percent of their income for housing. This is totally unacceptable.

I am very pleased that we are focusing on housing. I am very pleased as there are certain aspects of this bill that, I think, will be very beneficial to our residents and to our constituents throughout the country. I am hopeful that we will continue on this track and that this won't be the last housing effort that we make that comes out of the Financial Services Committee. I am very pleased to be a part of it.

I am proud of all of the work that has gone into this legislation. I am very pleased that we were able to work out any differences that we may have had. I am very proud of Mr. CLEAVER and of Mr. LUETKEMEYER, as they are two gentlemen from Missouri, for getting together to do this bill. It might have helped a little bit that I am from Missouri also. I think this bill is something we can all be proud of.

I reserve the balance of my time.

Mr. LUETKEMEYER. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Texas (Mr. WILLIAMS), one of our junior members of the committee but one of the senior Members with life experience who can bring a lot of good discussion to this debate we are having this afternoon.

Mr. WILLIAMS. I thank the chairman.

Mr. Chairman, I am proud to rise in support of H.R. 3700, the Housing Opportunity Through Modernization Act of 2015.

Introduced by my good friend Chairman LUETKEMEYER and my friend Congressman CLEAVER, this bipartisan piece of legislation is the first step in many to help reform and modernize our outdated Federal housing system.

Mr. Chairman, for too long, government red tape has made many of these housing programs inefficient and ineffective, hurting the very people they aim to support. If signed into law, H.R. 3700 would seek to change that, all the while saving taxpayer-invested money.

First, as mentioned, the CBO projects this bill to be a cost saver. With the Federal deficit reaching almost \$19 trillion, the savings in discretionary spending are a direct result of allowing local housing officials and agencies to better manage their programs. Like most Federal programs, inefficient regulations exist that often balloon overall costs.

Additionally, as previously mentioned, for the first time in 80 years of public housing policy, this legislation restricts the use of already scarce public housing units to those who actually need them by establishing an earnings cap. Eliminating Federal subsidies for over-income families has always been key to this discussion. While most wait lists for public housing stretch into the tens of thousands, families who should not receive subsidies, in fact, often do. Plain and simple, public housing should be reserved for those who are most in need.

Finally, H.R. 3700 ensures that our veterans have fair access to HUD housing and homeless assistance programs. With nearly 50,000 homeless vets nationwide, we can and need to do more in this area.

Mr. Chairman, as a member of the House Committee on Financial Services and of the House Subcommittee on Housing and Insurance, I thank Chairman LUETKEMEYER for his leadership on this issue over the last year, as addressing housing reform is something that is not without controversy.

I urge my colleagues to support this measure.

Ms. MAXINE WATERS of California. Mr. Chairman, I reserve the balance of my time.

Mr. LUETKEMEYER. Mr. Chairman, I have no further requests for time and am prepared to close.

I reserve the balance of my time.

□ 1530

Ms. MAXINE WATERS of California. Mr. Chair, I yield myself such time as I may consume.

I would like to close by again thanking my colleagues, Mr. CLEAVER and Mr. LUETKEMEYER, for their leadership in putting together a bipartisan affordable housing bill that addresses so many complicated issues in a responsible way and brings together so many different stakeholders in support of this bill.

There is a very long list of organizations that support this bill that includes tenant advocacy groups, public housing authority industry groups, real estate industry groups, rural housing groups, as well as community development organizations.

To name just a few, the supporters of this bill include the National Low Income Housing Coalition, the Center on Budget and Policy Priorities, the National Housing Trust, CSH, the Council of Large Public Housing Authorities, the National Association of Realtors, the Local Initiatives Support Corporation, Enterprise Community Partners, and many more.

The enthusiastic support from such a broad and diverse coalition of organizations is indicative of the hard-fought compromises that are included in this bill. In fact, I do not know of a single organization that is opposing this bill.

H.R. 3700 is made up of commonsense reforms that will make much-needed improvements to our housing programs

to make them work better for both public housing agencies and the tenants they serve.

If this bill is enacted into law, it will make the first major reforms to HUD's primary rental assistance programs since 1998, and that is an achievement that we can all be proud of.

So there is a lot at stake here. I urge my colleagues to vote "yes" on this bill.

I reserve the balance of my time.

Mr. LUETKEMEYER. Mr. Chairman, can you tell me how much time I have remaining?

The Acting CHAIR (Mr. MARCHANT). The gentleman from Missouri has 7½ minutes remaining.

Mr. LUETKEMEYER. Mr. Chair, I apologize to the ranking member. I do have one additional speaker. If the gentlewoman is out of time, I am more than willing to allow the gentlewoman to have some of our time to be able to rebut in case there is something that is an issue.

The Acting CHAIR. The gentlewoman from California has 5½ minutes remaining.

Mr. LUETKEMEYER. Mr. Speaker, I yield 2 minutes to the gentleman from New Hampshire (Mr. GUINTA).

Mr. GUINTA. Mr. Chairman, I am proud to speak in support of H.R. 3700, the Housing Opportunity Through Modernization Act, sponsored by Representatives LUETKEMEYER and CLEAVER.

This extremely bipartisan bill makes a number of critical reforms to our Federal housing programs. These programs will streamline processes and create much-needed efficiencies for government and, most importantly, our consumers.

I am happy to see the bill moving so quickly because it will solve a number of problems low-income Americans continue to face in acquiring safe and affordable housing.

This legislation would make commonsense changes to the Department of Housing and Urban Development in order to lighten administrative burdens for housing agencies and owners to assist low-income individuals and families to live in greater dignity.

It is very encouraging to see the bipartisan work that has been done on this bill. I commend both Chairman LUETKEMEYER and Ranking Member CLEAVER of the Housing and Insurance Subcommittee. I thank Chairman LUETKEMEYER for allowing me to speak on this bill.

I urge my colleagues to vote in favor of H.R. 3700.

Ms. MAXINE WATERS of California. Mr. Chairman, I yield myself such time as I may consume.

I will just take these last few minutes that I have to say to those people who live in public housing that this is an important support effort of government to provide public housing for those who cannot afford market-rate housing.

I have represented over the years many public housing projects in California. While I do not represent them

all anymore, I still pay attention to public housing because I understand and know how very important it is to the lives of families and to the children who depend on having safe housing and affordable housing for them.

I would simply like to say that oftentimes people who live in public housing have been demonized. There are folks who think, oh, they could do better if they wanted to. There are people who say that they don't want to remove themselves from public housing.

I would like to have people know that many of the folks that I have known who live in public housing work every day for minimum wages. Many of them are trying very hard to be independent. Many of them would like to have job training. Many of them would like to have more support for childcare efforts. Many of them are working to get their GEDs. Many of them have returned to school.

For the people who live in public housing, they don't need to feel that somehow they are getting something they don't deserve.

I am proud of this government, and I am proud of this country that will provide a safety net for the least of these and safe public housing to those who cannot afford market-rate housing.

I want our Congress to continue to see how we can do a better job even of providing safe and secure housing for those who cannot afford it.

I want us to be able to provide additional support to those who live in public housing, for those who are saying to us: Help me with job training. Help me to ensure that my children can get the kind of support living in public housing that will give them access to a good education. Help us to have better health care so we can be better able to go out and take jobs to support our families. Help us to aspire to move upward and out, even. Help us to understand what is available to us out there. When we seek out help for our problems, don't look at us as if we are people who are not investing in ourselves, who are not relying on our own abilities. Simply see us as Americans who would like to do better. See us as Americans who unfortunately find ourselves in situations where we can't do better for now, but we are looking for the opportunity to do better and to have more and to enjoy everything that this country has to offer.

So as we support this legislation today—and I support it—I am optimistic about the fact that this is going to make a lot of lives better, but I am also optimistic that this is really a beginning for how we can begin to not only give support, but involve tenants in how they can help to make decisions about the units that they are living in and how they can serve on the boards that oversee them, how they can be a part of government, helping us to understand how we can do a better job with the authority that they have given us.

So I am very proud. I am very pleased. I thank Mr. CLEAVER and Mr.

LUETKEMEYER. I thank Mr. CLEAVER for telling his story about public housing. I want him to know that there are any number of Members in the Congress of the United States who have lived in public housing or their families, such as my family has lived in public housing.

I want him to know I have watched public housing that has been very helpful. I have watched public housing that has provided safe, decent, and secure opportunities for the people who live there. But I have also watched public housing when it didn't work.

The Pruitt-Igoe in St. Louis, Missouri, was an example of what didn't work. I was in that city when it was torn down. The space that it occupied is still vacant in that city. It should be a space where we had additional public housing that would support the families who so desperately need it.

So I don't take this bill lightly. I don't think about this as just another piece of legislation that we happen to get passed here in Congress, even with bipartisan support.

I think of this as an important step and a statement, a statement that says both sides of the aisle understand housing, both sides of the aisle would like to continue to do the best job that they can do to provide safe and secure housing, and that we are not going to stand by and watch homelessness continue to grow.

It was mentioned several times throughout this debate—maybe here today and when we were in committee—that, in Los Angeles County, homelessness has increased by 20 percent. People are sleeping on the sidewalks all the way up to city hall. We cannot abide that. We cannot stand by and watch that happen.

While I am pointing to Los Angeles County, there are many areas all across this Nation where homelessness is shameful and unconscionable. I am very pleased and proud that we are sending a signal here today that we won't stand for it.

I yield back the balance of my time. Mr. LUETKEMEYER. Mr. Chairman, I yield myself such time as I may consume.

I want to close with a few remarks here. It won't take very long.

I think you can see that this is a very important and, also, very emotional issue for many, many people and it is extremely important for those folks who are in and around and utilize public housing.

In putting this bill together, we tried to listen to all the different parties as well as both sides of the aisle and address all the concerns that everybody had. We have a few amendments to go here, but I think we are going to work through those pretty quickly.

I think you can see from the support that we have seen on both sides of the aisle today, from the discussions we have had that we have come to an agreement on what is in the provisions of this bill.

You have here a whole list of 30 different letters of support from different groups from around the country that represent all the different groups, from leased housing to housing authorities, to investment individuals, to Realtors, to you name it.

We have yet to receive a single letter against this proposal. So I think you can see that we managed to find the right balance with the bill, to find the middle ground where we can all agree that we can accept the provisions that we have.

In the bill, we have done things with flexibility that people within the different housing authorities have asked for who manage these things to be able to do things more efficiently, more effectively.

We got rid of duplicative rules. We built the condos up so they could now be part of the program. We have cut the costs not by cutting programs, but by cutting out the waste and the duplicative rules and have given flexibility to those groups that need it to be able to do the job.

Is this an end-all, be-all? No. We have a lot more to do. We recognize that. This is a good first step. We believe that we need to be empowering people and enabling people to be able to do better and help themselves. We believe that, when it comes to housing, it is not just a place to live, but people need to have a place to have a life.

I yield back the balance of my time.

Mr. CAPUANO. Mr. Chair, I have a question for the bill's managers regarding the project-based voucher provisions. The bill generally limits a public housing agency's use of voucher funds for project-based vouchers to 20 percent of the authorized voucher units for the agency, but contains an exception among others providing that units of project-based assistance that are attached to units previously receiving another type of long-term subsidy provided by HUD will not count against this limitation.

We have an exciting initiative in Boston that would replace our 75-year-old Charlestown public housing development with a substantially larger, new construction mixed-income community on the same site. The public housing units are to be fully replaced with project-based vouchers. This will require a large commitment of project-based vouchers by the Boston Housing Authority, which would reduce the BHA's flexibility to commit project-based vouchers elsewhere as needed if the Charlestown commitment is not covered by the exception. Is it the intention of the bill's managers that the commitment of project-based vouchers to replace the former public housing units in a newly constructed development such as this would fall within the bill's exception for units attached to units previously receiving another type of long-term HUD subsidy?

Mr. LUETKEMEYER. Mr. Chair, Congressman CAPUANO has asked whether it is the intention of the bill's managers that the commitment of project-based vouchers to replace the former public housing units in a newly constructed development such as one he described in Boston would fall within the bill's exception for units attached to units previously

receiving another type of long-term HUD subsidy. The answer is yes. It is the managers' intention that the replacement units for the current public housing units would be covered by the bill's exception for units previously receiving long-term HUD assistance, and thus that commitment of project-based vouchers to such units would not count against the 20 percent limitation.

The Acting CHAIR. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule.

In lieu of the amendment in the nature of a substitute recommended by the Committee on Financial Services, printed in the bill, it shall be in order to consider as an original bill for the purpose of amendment under the 5-minute rule an amendment in the nature of a substitute consisting of the text of Rules Committee print 114-42. That amendment in the nature of a substitute shall be considered as read.

The text of the amendment in the nature of a substitute is as follows:

H.R. 3700

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the “Housing Opportunity Through Modernization Act of 2015”.

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

Sec. 1. Short title and table of contents.

TITLE I—SECTION 8 RENTAL ASSISTANCE AND PUBLIC HOUSING

Sec. 101. Inspection of dwelling units.

Sec. 102. Income reviews.

Sec. 103. Limitation on public housing tenancy for over-income families.

Sec. 104. Limitation on eligibility for assistance based on assets.

Sec. 105. Units owned by public housing agencies.

Sec. 106. PHA project-based assistance.

Sec. 107. Establishment of fair market rent.

Sec. 108. Collection of utility data.

Sec. 109. Public housing Capital and Operating Funds.

Sec. 110. Family unification program for children aging out of foster care.

TITLE II—RURAL HOUSING

Sec. 201. Delegation of guaranteed rural housing loan approval.

TITLE III—FHA MORTGAGE INSURANCE FOR CONDOMINIUMS

Sec. 301. Modification of FHA requirements for mortgage insurance for condominiums.

TITLE IV—HOUSING REFORMS FOR THE HOMELESS AND FOR VETERANS

Sec. 401. Definition of geographic area for Continuum of Care Program.

Sec. 402. Inclusion of public housing agencies and local redevelopment authorities in emergency solutions grants.

Sec. 403. Special assistant for Veterans Affairs in the Department of Housing and Urban Development.

Sec. 404. Annual supplemental report on veterans homelessness.

TITLE V—MISCELLANEOUS

Sec. 501. Inclusion of Disaster Housing Assistance Program in certain fraud and abuse prevention measures.

Sec. 502. Energy efficiency requirements under Self-Help Homeownership Opportunity program.

Sec. 503. Data exchange standardization for improved interoperability.

TITLE I—SECTION 8 RENTAL ASSISTANCE AND PUBLIC HOUSING

SEC. 101. INSPECTION OF DWELLING UNITS.

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

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

“(A) **INITIAL INSPECTION.**—

“(i) **IN GENERAL.**—For each dwelling unit for which a housing assistance payment contract is established under this subsection, the public housing agency (or other entity pursuant to paragraph (11)) shall inspect the unit before any assistance payment is made to determine whether the dwelling unit meets the housing quality standards under subparagraph (B), except as provided in clause (ii) or (iii) of this subparagraph.

“(ii) **CORRECTION OF NON-LIFE-THREATENING CONDITIONS.**—In the case of any dwelling unit that is determined, pursuant to an inspection under clause (i), not to meet the housing quality standards under subparagraph (B), assistance payments may be made for the unit notwithstanding subparagraph (C) if failure to meet such standards is a result only of non-life-threatening conditions, as such conditions are established 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, withhold any assistance payments for the unit if any deficiency resulting in noncompliance with the housing quality standards has not been corrected by such time. The public housing agency shall recommence assistance payments when such deficiency has been corrected, and may use any payments withheld to make assistance payments relating to the period during which payments were withheld.

“(iii) **USE OF ALTERNATIVE INSPECTION METHOD FOR INTERIM PERIOD.**—In the case of any property that within the previous 24 months has met the requirements of an 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). This clause may not be construed to exempt any dwelling unit from compliance with the requirements of subparagraph (D).”;

(2) by redesignating subparagraph (G) as subparagraph (H); and

(3) by inserting after subparagraph (F) the following new subparagraph:

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

“(i) **DETERMINATION OF NONCOMPLIANCE.**—A dwelling unit that is covered by a housing assistance payments contract under this subsection shall be considered, for purposes of subparagraphs (D) and (F), to be in noncompliance with the housing quality standards under subparagraph (B) if—

“(I) the public housing agency or an inspector authorized by the State or unit of local government determines upon inspection of the unit that the unit fails to comply with such standards;

“(II) the agency or inspector notifies the owner of the unit in writing of such failure to comply; and

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

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

“(bb) in the case of any such failure that is a result of non-life-threatening conditions, within

30 days after such notice has been provided or such other reasonable longer period as the public housing agency may establish.

“(ii) **WITHHOLDING OF ASSISTANCE AMOUNTS DURING CORRECTION.**—The public housing agency may withhold assistance amounts under this subsection with respect to a dwelling unit for which a notice pursuant to clause (i)(II), of failure to comply with housing quality standards under subparagraph (B) as determined pursuant to an inspection conducted under subparagraph (D) or (F), has been provided. If the unit is brought into compliance with such housing quality standards during the periods referred to in clause (i)(III), the public housing agency shall recommence assistance payments and may use any amounts withheld during the correction period to make assistance payments relating to the period during which payments were withheld.

“(iii) **ABATEMENT OF ASSISTANCE AMOUNTS.**—The public housing agency shall abate all of the assistance amounts under this subsection with respect to a dwelling unit that is determined, pursuant to clause (i) of this subparagraph, to be in noncompliance with housing quality standards under subparagraph (B). Upon completion of repairs by the public housing agency or the owner sufficient so that the dwelling unit complies with such housing quality standards, the agency shall recommence payments under the housing assistance payments contract to the owner of the dwelling unit.

“(iv) **NOTIFICATION.**—If a public housing agency providing assistance under this subsection abates rental assistance payments pursuant to clause (iii) with respect to a dwelling unit, the agency shall, upon commencement of such abatement—

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

“(aa) such abatement has commenced; and

“(bb) if the dwelling unit is not brought into compliance with housing quality standards within 60 days after the effective date of the determination of noncompliance under clause (i) or such reasonable longer period as the agency may establish, the tenant will have to move; and

“(II) issue the tenant the necessary forms to allow the tenant to move to another dwelling unit and transfer the rental assistance to that unit.

“(v) **PROTECTION OF TENANTS.**—An owner of a dwelling unit may not terminate the tenancy of any tenant because of the withholding or abatement of assistance pursuant to this subparagraph. During the period that assistance is abated pursuant to this subparagraph, the tenant may terminate the tenancy by notifying the owner.

“(vi) **TERMINATION OF LEASE OR ASSISTANCE PAYMENTS CONTRACT.**—If assistance amounts under this section for a dwelling unit are abated pursuant to clause (iii) and the owner does not correct the noncompliance 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, the agency shall terminate the housing assistance payments contract for the dwelling unit.

“(vii) **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 the public housing agency determines is reasonably 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 may provide assistance to the family in finding a new residence, including use of up to two months of any assistance amounts withheld or abated pursuant to clause (ii) or (iii), respectively, for costs directly associated with relocation of the family to a new residence, which shall include security deposits as necessary and may include reimbursements for reasonable moving expenses incurred by the household, as established by the Secretary. 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.

“(viii) TENANT-CAUSED DAMAGES.—If a public housing agency determines that any damage to a dwelling unit that results in a failure of the dwelling unit to comply with housing quality standards under subparagraph (B), other than any damage resulting from ordinary use, was caused by the tenant, any member of the tenant’s household, or any guest or other person under the tenant’s control, the agency may waive the applicability of this subparagraph, except that this clause shall not exonerate a tenant from any liability otherwise existing under applicable law for damages to the premises caused by such tenant.

“(ix) APPLICABILITY.—This subparagraph shall apply to any dwelling unit for which a housing assistance payments contract is entered into or renewed after the date of the effectiveness of the regulations implementing this subparagraph.”

(b) EFFECTIVE DATE.—The Secretary of Housing and Urban Development shall issue notice or regulations to implement subsection (a) of this section and such subsection shall take effect upon such issuance.

SEC. 102. INCOME REVIEWS.

(a) INCOME REVIEWS FOR PUBLIC HOUSING AND SECTION 8 PROGRAMS.—Section 3 of the United States Housing Act of 1937 (42 U.S.C. 1437a) is amended—

(1) in subsection (a)—

(A) in the second sentence of paragraph (1), by striking “at least annually” and inserting “pursuant to paragraph (6)”; and

(B) by adding at the end the following new paragraphs:

“(6) REVIEWS OF FAMILY INCOME.—

“(A) FREQUENCY.—Reviews of family income 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;

“(ii) annually thereafter, except as provided in paragraph (1) with respect to fixed-income families;

“(iii) upon the request of the family, at any time the income or deductions (under subsection (b)(5)) of the family change by an amount that is estimated to result in a decrease of 10 percent (or such lower amount as the Secretary may, by notice, establish, or permit the public housing agency or owner to establish) or more in annual adjusted income; and

“(iv) at any time the income or deductions (under subsection (b)(5)) of the family change by an amount that is estimated to result in an increase of 10 percent or more in annual adjusted income, or such other amount as the Secretary may by notice establish, except that any increase in the earned income of a family shall not be considered for purposes of this clause (except that earned income may be considered if the increase corresponds to previous decreases under clause (iii)), except that a public housing agency or owner may elect not to conduct such review in the last three months of a certification period.

“(B) IN GENERAL.—Reviews of family income for purposes of this section shall be subject to the provisions of section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 3544).

“(7) CALCULATION OF INCOME.—

“(A) USE OF CURRENT YEAR INCOME.—In determining family income for initial occupancy or provision of housing assistance pursuant to clause (i) of paragraph (6)(A) or pursuant to reviews pursuant to clause (iii) or (iv) of such paragraph, a public housing agency or owner shall use the income of the family as estimated by the agency or owner for the upcoming year.

“(B) USE OF PRIOR YEAR INCOME.—In determining family income for annual reviews pursuant to paragraph (6)(A)(ii), a public housing agency or owner shall, except as otherwise provided in this paragraph and paragraph (1), use the income of the family as determined by the agency or owner for the preceding year, taking into consideration any redetermination of income during such prior year pursuant to clause (iii) or (iv) of paragraph (6)(A).

“(C) OTHER INCOME.—In determining the income for any family based on the prior year’s income, with respect to prior year calculations of income not subject to subparagraph (B), a public housing agency or owner may make other adjustments as it considers appropriate to reflect current income.

“(D) 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 supplemental nutrition assistance program (as such term is defined in section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012)). 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 limitations and tenant protections provided under section 904 of the Stewart B. McKinney Homeless Assistance Act Amendments of 1988 (42 U.S.C. 3544) with respect to information obtained under the requirements of section 303(i) of the Social Security Act (42 U.S.C. 503(i)).

“(E) PHA AND OWNER COMPLIANCE.—A public housing agency or owner may not be considered to fail to comply with this paragraph or paragraph (6) due solely to any de minimis errors made by the agency or owner in calculating family incomes.”;

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

(3) by redesignating subsection (f) as subsection (d).

(b) CERTIFICATION REGARDING HARDSHIP EXCEPTION TO MINIMUM MONTHLY RENT.—Not later than the expiration of the 6-month period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit to the Congress a certification that the hardship and tenant protection provisions in clause (i) of section 3(a)(3)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(3)(B)(i)) are being enforced at such time and that the Secretary will continue to provide due consideration to the hardship circumstances of persons assisted under relevant programs of this Act.

(c) INCOME; ADJUSTED INCOME.—Section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)) is amended by striking paragraphs (4) and (5) and inserting the following new paragraphs:

“(4) INCOME.—The term ‘income’ means, with respect to a family, income received from all sources by each member of the household who is 18 years of age or older or is the head of house-

hold or spouse of the head of the household, plus unearned income by or on behalf of each dependent who is less than 18 years of age, as determined in accordance with criteria prescribed by the Secretary, in consultation with the Secretary of Agriculture, subject to the following requirements:

“(A) INCLUDED AMOUNTS.—Such term includes recurring gifts and receipts, actual income from assets, and profit or loss from a business.

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

“(i) any imputed return on assets, except to the extent that net family assets exceed \$50,000, except that such amount (as it may have been previously adjusted) shall be adjusted for inflation annually by the Secretary in accordance with an inflationary index selected by the Secretary;

“(ii) any amounts that would be eligible for exclusion under section 1613(a)(7) of the Social Security Act (42 U.S.C. 1382b(a)(7));

“(iii) deferred disability benefits from the Department of Veterans Affairs that are received in a lump sum amount or in prospective monthly amounts;

“(iv) any expenses related to aid and attendance under section 1521 of title 38, United States Code, to veterans who are in need of regular aid and attendance; and

“(v) exclusions from income as established by the Secretary by regulation or notice, or any amount required by Federal law to be excluded from consideration as income.

“(C) EARNED INCOME OF STUDENTS.—Such term does not include—

“(i) earned income, up to an amount as the Secretary may by regulation establish, of any dependent earned during any period that such dependent is attending school or vocational training on a full-time basis; or

“(ii) any grant-in-aid or scholarship amounts related to such attendance used—

“(I) for the cost of tuition or books; or

“(II) in such amounts as the Secretary may allow, for the cost of room and board.

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

“(E) RECORDKEEPING.—The Secretary may not require a public housing agency or owner to maintain records of any amounts excluded from income pursuant to this subparagraph.

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

“(A) ELDERLY AND DISABLED FAMILIES.—\$525 in the case of any family that is an elderly family or a disabled family.

“(B) DEPENDENTS.—In the case of any family, \$525 for each member who—

“(i) is less than 18 years of age or attending school or vocational training on a full-time basis; or

“(ii) is a person who is 18 years of age or older, resides in the household, and is certified as disabled and unable to work by the public housing agency of jurisdiction.

“(C) CHILD CARE.—The amount, if any, that exceeds 5 percent of annual family income that is used to pay for unreimbursed child care expenses, which shall include child care for preschool-age children, for before- and after-care for children in school, and for other child care necessary to enable a member of the family to be employed or further his or her education.

“(D) HEALTH AND MEDICAL EXPENSES.—The amount, if any, by which 10 percent of annual family income is exceeded by the sum of—

“(i) in the case of any elderly or disabled family, any unreimbursed health and medical care expenses; and

“(ii) any unreimbursed reasonable attendant care and auxiliary apparatus expenses for each handicapped member of the family, if determined necessary by the public housing agency or owner to enable any member of such family to be employed.

The Secretary shall, by regulation, provide hardship exemptions to the requirements of this subparagraph and subparagraph (C) for impacted families who demonstrate an inability to pay calculated rents because of financial hardship. Such regulations shall include a requirement to notify tenants regarding any changes to the determination of adjusted income pursuant to such subparagraphs based on the determination of the family's claim of financial hardship exemptions required by the preceding sentence. Such regulations shall be promulgated in consultation with tenant organizations, industry participants, and the Secretary of Health and Human Services, with an adequate comment period provided for interested parties.

“(E) PERMISSIVE DEDUCTIONS.—Such additional deductions as a public housing agency may, at its discretion, establish, except that the Secretary shall establish procedures to ensure that such deductions do not materially increase Federal expenditures.

The Secretary shall annually calculate the amounts of the deductions under subparagraphs (A) and (B), as such amounts may have been previously calculated, by applying an inflationary factor as the Secretary shall, by regulation, establish, except that the actual deduction determined for each year shall be established by rounding such amount to the next lowest multiple of \$25.”

(d) HOUSING CHOICE VOUCHER PROGRAM.—Section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) is amended—

(1) in paragraph (1)(D), by inserting before the period at the end the following: “, except that a public housing agency may establish a payment standard of not more than 120 percent of the fair market rent where necessary as a reasonable accommodation for a person with a disability, without approval of the Secretary. A public housing agency may use a payment standard that is greater than 120 percent of the fair market rent as a reasonable accommodation for a person with a disability, but only with the approval of the Secretary. In connection with the use of any increased payment standard established or approved pursuant to either of the preceding two sentences as a reasonable accommodation for a person with a disability, the Secretary may not establish additional requirements regarding the amount of adjusted income paid by such person for rent”; and

(2) in paragraph (5)—

(A) in the paragraph heading, by striking “ANNUAL REVIEW” and inserting “REVIEWS”;

(B) in subparagraph (A)—

(i) by striking “the provisions of” and inserting “paragraphs (1), (6), and (7) of section 3(a) and to”; and

(ii) by striking “and shall be conducted” and all that follows through the end of the subparagraph and inserting a period; and

(C) in subparagraph (B), by striking the second sentence.

(e) 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”.

(f) 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.

(g) IMPACT ON PUBLIC HOUSING REVENUES.—

(1) ADJUSTMENTS TO OPERATING FORMULA.—If the Secretary of Housing and Urban Development determines that the application of subsections (a) through (e) of this section results in a material and disproportionate reduction in the rental income of certain public housing agencies

during the first year in which such subsections are implemented, the Secretary may make appropriate adjustments in the formula income for such year of those agencies experiencing such a reduction.

(2) HUD REPORTS ON REVENUE AND COST IMPACT.—In each of the first two years after the first year in which subsections (a) through (e) are implemented, the Secretary of Housing and Urban Development shall submit a report to Congress identifying and calculating the impact of changes made by such subsections and section 104 of this Act on the revenues and costs of operating public housing units, the voucher program for rental assistance under section 8 of the United States Housing Act of 1937, and the program under such section 8 for project-based rental assistance. If such report identifies a material reduction in the net income of public housing agencies nationwide or a material increase in the costs of funding the voucher program or the project-based assistance program, the Secretary shall include in such report recommendations for legislative changes to reduce or eliminate such a reduction.

(h) EFFECTIVE DATE.—The Secretary of Housing and Urban Development shall issue notice or regulations to implement this section and this section shall take effect after such issuance, except that this section may only take effect upon the commencement of a calendar year.

SEC. 103. LIMITATION ON PUBLIC HOUSING TENANCY FOR OVER-INCOME FAMILIES.

Subsection (a) of section 16 of the United States Housing Act of 1937 (42 U.S.C. 1437n(a)) is amended by adding at the end the following new paragraph:

“(5) LIMITATIONS ON TENANCY FOR OVER-INCOME FAMILIES.—

“(A) LIMITATIONS.—Except as provided in subparagraph (D), in the case of any family residing in a dwelling unit of public housing whose income for the most recent two consecutive years, as determined pursuant to income reviews conducted pursuant to section 3(a)(6), has exceeded the applicable income limitation under subparagraph (C), the public housing agency shall—

“(i) notwithstanding any other provision of this Act, charge such family as monthly rent for the unit occupied by such family an amount equal to the greater of—

“(I) the applicable fair market rental established under section 8(c) for a dwelling unit in the same market area of the same size; or

“(II) the amount of the monthly subsidy provided under this Act for the dwelling unit, which shall include any amounts from the Operating Fund and Capital Fund under section 9 used for the unit, as determined by the agency in accordance with regulations that the Secretary shall issue to carry out this subclause; or

“(ii) terminate the tenancy of such family in public housing not later than 6 months after the income determination described in subparagraph (A).

“(B) NOTICE.—In the case of any family residing in a dwelling unit of public housing whose income for a year has exceeded the applicable income limitation under subparagraph (C), upon the conclusion of such year the public housing agency shall provide written notice to such family of the requirements under subparagraph (A).

“(C) INCOME LIMITATION.—The income limitation under this subparagraph shall be 120 percent of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income limitations higher or lower than 120 percent of such median income on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs, or unusually high or low family incomes, vacancy rates, or rental costs.

“(D) EXCEPTION.—Subparagraph (A) shall not apply to a family occupying a dwelling unit in public housing pursuant to paragraph (5) of section 3(a) (42 U.S.C. 1437a(a)(5)).

“(E) REPORTS ON OVER-INCOME FAMILIES AND WAITING LISTS.—The Secretary shall require that each public housing agency shall—

“(i) submit a report annually, in a format required by the Secretary, that specifies—

“(I) the number of families residing, as of the end of the year for which the report is submitted, in public housing administered by the agency who had incomes exceeding the applicable income limitation under subparagraph (C); and

“(II) the number of families, as of the end of such year, on the waiting lists for admission to public housing projects of the agency; and

“(ii) make the information reported pursuant to clause (i) publicly available.”.

SEC. 104. LIMITATION ON ELIGIBILITY FOR ASSISTANCE BASED ON ASSETS.

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

“(e) ELIGIBILITY FOR ASSISTANCE BASED ON ASSETS.—

“(1) LIMITATION ON ASSETS.—Subject to paragraph (3) and notwithstanding any other provision of this Act, a dwelling unit assisted under this Act may not be rented and assistance under this Act may not be provided, either initially or at each recertification of family income, to any family—

“(A) whose net family assets exceed \$100,000, as such amount is adjusted annually by applying an inflationary factor as the Secretary considers appropriate; or

“(B) who has a present ownership interest in, a legal right to reside in, and the effective legal authority to sell, real property that is suitable for occupancy by the family as a residence, except that the prohibition under this subparagraph shall not apply to—

“(i) any property for which the family is receiving assistance under subsection (y) or (o)(12) of section 8 of this Act;

“(ii) any person that is a victim of domestic violence; or

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

“(2) NET FAMILY ASSETS.—

“(A) IN GENERAL.—For purposes of this subsection, the term ‘net family assets’ means, for all members of the household, the net cash value of all assets after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment. Such term does not include interests in Indian trust land, equity in property for which the family is receiving assistance under subsection (y) or (o)(12) of section 8, equity accounts in homeownership programs of the Department of Housing and Urban Development, or Family Self Sufficiency accounts.

“(B) EXCLUSIONS.—Such term does not include—

“(i) the value of personal property, except for items of personal property of significant value, as the Secretary may establish or the public housing agency may determine;

“(ii) the value of any retirement account;

“(iii) real property for which the family does not have the effective legal authority necessary to sell such property;

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

“(v) the value of any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986 or any qualified tuition program under section 529 of such Code; and

“(vi) such other exclusions as the Secretary may establish.

“(C) TRUST FUNDS.—In cases in which a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the

trust fund shall not be considered an asset of a family if the fund continues to be held in trust. Any income distributed from the trust fund shall be considered income for purposes of section 3(b) and any calculations of annual family income, except in the case of medical expenses for a minor.

“(3) SELF-CERTIFICATION.—

“(A) NET FAMILY ASSETS.—A public housing agency or owner may determine the net assets of a family, for purposes of this section, based on a certification by the family that the net assets of such family do not exceed \$50,000, as such amount is adjusted annually by applying an inflationary factor as the Secretary considers appropriate.

“(B) NO CURRENT REAL PROPERTY OWNERSHIP.—A public housing agency or owner may determine compliance with paragraph (1)(B) based on a certification by the family that such family does not have any current ownership interest in any real property at the time the agency or owner reviews the family’s income.

“(C) STANDARDIZED FORMS.—The Secretary may develop standardized forms for the certifications referred to in subparagraphs (A) and (B).

“(4) COMPLIANCE FOR PUBLIC HOUSING DWELLING UNITS.—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 limitation under paragraph (1).

“(5) ENFORCEMENT.—When recertifying the income of a 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 based on family type and may be based on different factors, such as age, disability, 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.”

SEC. 105. UNITS OWNED BY PUBLIC HOUSING AGENCIES.

Paragraph (11) of section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(11)) is amended—

(1) by striking “(11) LEASING OF UNITS OWNED BY PHA.—If” and inserting the following:

“(11) LEASING OF UNITS OWNED BY PHA.—

“(A) INSPECTIONS AND RENT DETERMINATIONS.—If” and

(2) by adding at the end the following new subparagraph:

“(B) UNITS OWNED BY PHA.—For purposes of this subsection, the term ‘owned by a public housing agency’ means, with respect to a dwelling unit, that the dwelling unit is in a project that is owned by such agency, by an entity wholly controlled by such agency, or by a limited liability company or limited partnership in which such agency (or an entity wholly controlled by such agency) holds a controlling interest in the managing member or general partner. A dwelling unit shall not be deemed to be owned by a public housing agency for purposes of this subsection because the agency holds a fee interest as ground lessor in the property on which the unit is situated, holds a security interest under a mortgage or deed of trust on the

unit, or holds a non-controlling interest in an entity which owns the unit or in the managing member or general partner of an entity which owns the unit.”

SEC. 106. PHA PROJECT-BASED ASSISTANCE.

(a) IN GENERAL.—Paragraph (13) of section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(13)) is amended—

(1) by striking “structure” each place such term appears and inserting “project”;

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

“(B) PERCENTAGE LIMITATION.—

“(i) IN GENERAL.—Subject to clause (ii), a public housing agency may use for project-based assistance under this paragraph not more than 20 percent of the authorized units for the agency.

“(ii) EXCEPTION.—A public housing agency may use up to an additional 10 percent of the authorized units for the agency for project-based assistance under this paragraph, to provide units that house individuals and families that meet the definition of homeless under section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302), that house families with veterans, that provide supportive housing to persons with disabilities or elderly persons, or that are located in areas where vouchers under this subsection are difficult to use, as specified in subparagraph (D)(ii)(I). Any units of project-based assistance that are attached to units previously subject to federally required rent restrictions or receiving another type of long-term housing subsidy provided by the Secretary shall not count toward the percentage limitation under clause (i) of this subparagraph. The Secretary may, by regulation, establish additional categories for the exception under this clause.”

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

“(D) INCOME-MIXING REQUIREMENT.—

“(i) IN GENERAL.—Except as provided in clause (ii), not more than the greater of 25 dwelling units or 25 percent of the dwelling units in any project may be assisted under a housing assistance payment contract for project-based assistance pursuant to this paragraph. For purposes of this subparagraph, the term ‘project’ means a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land.

“(ii) EXCEPTIONS.—

“(I) CERTAIN FAMILIES.—The limitation under clause (i) shall not apply to dwelling units assisted under a contract that are exclusively made available to elderly families or to households eligible for supportive services that are made available to the assisted residents of the project, according to standards for such services the Secretary may establish.

“(II) CERTAIN AREAS.—With respect to areas in which tenant-based vouchers for assistance under this subsection are difficult to use, as determined by the Secretary, and with respect to census tracts with a poverty rate of 20 percent or less, clause (i) shall be applied by substituting ‘40 percent’ for ‘25 percent’, and the Secretary may, by regulation, establish additional conditions.

“(III) CERTAIN CONTRACTS.—The limitation under clause (i) shall not apply with respect to contracts or renewal of contracts under which a greater percentage of the dwelling units in a project were assisted under a housing assistance payment contract for project-based assistance pursuant to this paragraph on the date of the enactment of the Housing Opportunity Through Modernization Act of 2015.

“(IV) CERTAIN PROPERTIES.—Any units of project-based assistance under this paragraph that are attached to units previously subject to federally required rent restrictions or receiving other project-based assistance provided by the Secretary shall not count toward the percentage limitation imposed by this subparagraph (D).

“(iii) ADDITIONAL MONITORING AND OVERSIGHT REQUIREMENTS.—The Secretary may establish

additional requirements for monitoring and oversight of projects in which more than 40 percent of the dwelling units are assisted under a housing assistance payment contract for project-based assistance pursuant to this paragraph.”

(4) by striking subparagraph (F) and inserting the following new subparagraph:

“(F) CONTRACT TERM.—

“(i) TERM.—A housing assistance payment contract pursuant to this paragraph between a public housing agency and the owner of a project may have a term of up to 20 years, subject to—

“(I) the availability of sufficient appropriated funds for the purpose of renewing expiring contracts for assistance payments, as provided in appropriation Acts and in the agency’s annual contributions contract with the Secretary, provided that in the event of insufficient appropriated funds, payments due under contracts under this paragraph shall take priority if other cost-saving measures that do not require the termination of an existing contract are available to the agency; and

“(II) compliance with the inspection requirements under paragraph (8), except that the agency shall not be required to make biennial inspections of each assisted unit in the development.

“(ii) ADDITION OF ELIGIBLE UNITS.—Subject to the limitations of subparagraphs (B) and (D), the agency and the owner may add eligible units within the same project to a housing assistance payments contract at any time during the term thereof without being subject to any additional competitive selection procedures.

“(iii) HOUSING UNDER CONSTRUCTION OR RECENTLY CONSTRUCTED.—An agency may enter into a housing assistance payments contract with an owner for any unit that does not qualify as existing housing and is under construction or recently has been constructed whether or not the agency has executed an agreement to enter into a contract with the owner, provided that the owner demonstrates compliance with applicable requirements prior to execution of the housing assistance payments contract. This clause shall not subject a housing assistance payments contract for existing housing under this paragraph to such requirements or otherwise limit the extent to which a unit may be assisted as existing housing.

“(iv) ADDITIONAL CONDITIONS.—The contract may specify additional conditions, including with respect to continuation, termination, or expiration, and shall specify that upon termination or expiration of the contract without extension, each assisted family may elect to use its assistance under this subsection to remain in the same project if its unit complies with the inspection requirements under paragraph (8), the rent for the unit is reasonable as required by paragraph (10)(A), and the family pays its required share of the rent and the amount, if any, by which the unit rent (including the amount allowed for tenant-based utilities) exceeds the applicable payment standard.”

(5) in subparagraph (G), by striking “15 years” and inserting “20 years”;

(6) by striking subparagraph (I) and inserting the following new subparagraph:

“(I) RENT ADJUSTMENTS.—A housing assistance payments contract pursuant to this paragraph entered into after the date of the enactment of the Housing Opportunity Through Modernization Act of 2015 shall provide for annual rent adjustments upon the request of the owner, except that—

“(i) by agreement of the parties, a contract may allow a public housing agency to adjust the rent for covered units using an operating cost adjustment factor established by the Secretary pursuant to section 524(c) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (which shall not result in a negative adjustment), in which case the contract may require an additional adjustment, if requested, up to the reasonable rent periodically during the

term of the contract, and shall require such an adjustment, if requested, upon extension pursuant to subparagraph (G);

“(ii) the adjusted rent shall not exceed the maximum rent permitted under subparagraph (H);

“(iii) the contract may provide that the maximum rent permitted for a dwelling unit shall not be less than the initial rent for the dwelling unit under the initial housing assistance payments contract covering the units; and

“(iv) the provisions of subsection (c)(2)(C) shall not apply.”;

(7) in subparagraph (J)—

(A) in the first sentence—

(i) by striking “shall” and inserting “may”; and

(ii) by inserting before the period the following: “or may permit owners to select applicants from site-based waiting lists as specified in this subparagraph”;

(B) by striking the third sentence and inserting the following: “The agency or owner may establish preferences or criteria for selection for a unit assisted under this paragraph that are consistent with the public housing agency plan for the agency approved under section 5A and that give preference to families who qualify for voluntary services, including disability-specific services, offered in conjunction with assisted units.”; and

(C) by striking the fifth and sixth sentences and inserting the following: “A public housing agency may establish and utilize procedures for owner-maintained site-based waiting lists, under which applicants may apply 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, subject to policies and procedures established by the Secretary. All such procedures shall comply with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and other applicable civil rights laws. The owner or manager of a project 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.”;

(8) in subparagraph (M)(ii), by inserting before the period at the end the following: “relating to funding other than housing assistance payments”; and

(9) by adding at the end the following new subparagraphs:

“(N) **STRUCTURE OWNED BY AGENCY.**—A public housing agency engaged in an initiative to improve, develop, or replace a public housing property or site 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, provided that the agency has notified the public of its intent through its public housing agency plan and subject to the limitations and requirements of this paragraph.

“(O) **SPECIAL PURPOSE VOUCHERS.**—A public housing agency that administers vouchers authorized under subsection (o)(19) or (x) of this section may provide such assistance in accordance with the limitations and requirements of this paragraph, without additional requirements for approval by the Secretary.”.

(b) **EFFECTIVE DATE.**—The Secretary of Housing and Urban Development shall issue notice or regulations to implement subsection (a) of this section and such subsection shall take effect upon such issuance.

SEC. 107. ESTABLISHMENT OF FAIR MARKET RENT.

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

(1) by inserting “(A)” after the paragraph designation;

(2) by striking the fourth, seventh, eighth, and ninth sentences; and

(3) by adding at the end the following:

“(B) Fair market rentals for an area shall be published not less than annually by the Secretary on the site of the Department on the World Wide Web and in any other manner specified by the Secretary. Notice that such fair market rentals are being published shall be published in the Federal Register, and such fair market rentals shall become effective no earlier than 30 days after the date of such publication. The Secretary shall establish a procedure for public housing agencies and other interested parties to comment on such fair market rentals and to request, within a time specified by the Secretary, reevaluation of the fair market rentals in a jurisdiction before such rentals become effective. The Secretary shall cause to be published for comment in the Federal Register notices of proposed material changes in the methodology for estimating fair market rentals and notices specifying the final decisions regarding such proposed substantial methodological changes and responses to public comments.”.

(b) **PAYMENT STANDARD.**—Subparagraph (B) of section 8(o)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(1)(B)) is amended by inserting before the period at the end the following: “, except that no public 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 the time the fair market rental was reduced. The Secretary shall allow public housing agencies to request exception payment standards within fair market rental areas subject to criteria and procedures established by the Secretary”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall take effect upon the date of the enactment of this Act.

SEC. 108. COLLECTION OF UTILITY DATA.

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

“(20) **COLLECTION OF UTILITY DATA.**—

“(A) **PUBLICATION.**—The Secretary shall, to the extent that data can be collected cost effectively, regularly publish such data regarding utility consumption and costs in local areas as the Secretary determines will be useful for the establishment of allowances for tenant-paid utilities for families assisted under this subsection.

“(B) **USE OF DATA.**—The Secretary shall provide such data in a manner that—

“(i) avoids unnecessary administrative burdens for public housing agencies and owners; and

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

SEC. 109. PUBLIC HOUSING CAPITAL AND OPERATING FUNDS.

(a) **CAPITAL FUND REPLACEMENT RESERVES.**—Section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g) is amended—

(1) in subsection (j), by adding at the end the following new paragraph:

“(7) **TREATMENT OF REPLACEMENT RESERVE.**—The requirements of this subsection shall not apply to funds held in replacement reserves established pursuant to subsection (n).”; and

(2) by adding at the end the following new subsection:

“(n) **ESTABLISHMENT OF REPLACEMENT RESERVES.**—

“(1) **IN GENERAL.**—Public housing agencies shall be permitted to establish a replacement reserve to fund any of the capital activities listed in subsection (d)(1).

“(2) **SOURCE AND AMOUNT OF FUNDS FOR REPLACEMENT RESERVE.**—At any time, a public housing agency may deposit funds from such agency’s Capital Fund into a replacement reserve, subject to the following:

“(A) At the discretion of the Secretary, public housing agencies may transfer and hold in a replacement reserve funds originating from additional sources.

“(B) No minimum transfer of funds to a replacement reserve shall be required.

“(C) At any time, a public housing agency may not hold in a replacement reserve more than the amount the public housing authority has determined necessary to satisfy the anticipated capital needs of properties in its portfolio assisted under this section, as outlined in its Capital Fund 5-Year Action Plan, or a comparable plan, as determined by the Secretary.

“(D) The Secretary may establish, by regulation, a maximum replacement reserve level or levels that are below amounts determined under subparagraph (C), which may be based upon the size of the portfolio assisted under this section or other factors.

“(3) **TRANSFER OF OPERATING FUNDS.**—In first establishing a replacement reserve, the Secretary may allow public housing agencies to transfer more than 20 percent of its operating funds into its replacement reserve.

“(4) **EXPENDITURE.**—Funds in a replacement reserve may be used for purposes authorized by subsection (d)(1) and contained in its Capital Fund 5-Year Action Plan.

“(5) **MANAGEMENT AND REPORT.**—The Secretary shall establish appropriate accounting and reporting requirements to ensure that public housing agencies are spending funds on eligible projects and that funds in the replacement reserve are connected to capital needs.”.

(b) **FLEXIBILITY OF OPERATING FUND AMOUNTS.**—Paragraph (1) of section 9(g) of the United States Housing Act of 1937 (42 U.S.C. 1437g(g)(1)) is amended—

(1) by striking “(1)” and all that follows through “—Of” and inserting the following:

“(1) **FLEXIBILITY IN USE OF FUNDS.**—

“(A) **FLEXIBILITY FOR CAPITAL FUND AMOUNTS.**—Of”; and

(2) by adding at the end the following new subparagraph:

“(B) **FLEXIBILITY FOR OPERATING FUND AMOUNTS.**—Of any amounts appropriated for fiscal year 2016 or any fiscal year thereafter that are allocated for fiscal year 2016 or any fiscal year thereafter from the Operating Fund for any public housing agency, the agency may use not more than 20 percent for activities that are eligible under subsection (d) for assistance with amounts from the Capital Fund, but only if the public housing plan under section 5A for the agency provides for such use.”.

SEC. 110. FAMILY UNIFICATION PROGRAM FOR CHILDREN AGING OUT OF FOSTER CARE.

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

(1) in paragraph (2)(B)—

(A) by striking “18 months” and inserting “36 months”;

(B) by striking “21 years of age” and inserting “24 years of age”; and

(C) by inserting after “have left foster care” the following: “, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act, and is homeless or is at risk of becoming homeless”;

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following new paragraph:

“(4) **COORDINATION BETWEEN PUBLIC HOUSING AGENCIES AND PUBLIC CHILD WELFARE AGENCIES.**—The Secretary shall, not later than the

expiration of the 180-day period beginning on the date of the enactment of the Housing Opportunity Through Modernization Act of 2015 and after consultation with other appropriate Federal agencies, issue guidance to improve coordination between public housing agencies and public child welfare agencies in carrying out the program under this subsection, which shall provide guidance on—

“(A) identifying eligible recipients for assistance under this subsection;

“(B) coordinating with other local youth and family providers in the community and participating in the Continuum of Care program established under subtitle C of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11381 et seq.);

“(C) implementing housing strategies to assist eligible families and youth;

“(D) aligning system goals to improve outcomes for families and youth and reducing lapses in housing for families and youth; and

“(E) identifying resources that are available to eligible families and youth to provide supportive services available through parts B and E of title IV of the Social Security Act (42 U.S.C. 621 et seq.; 670 et seq.) or that the head of household of a family or youth may be entitled to receive under section 477 of the Social Security Act (42 U.S.C. 677).”

TITLE II—RURAL HOUSING

SEC. 201. DELEGATION OF GUARANTEED RURAL HOUSING LOAN APPROVAL.

Subsection (h) of section 502 of the Housing Act of 1949 (42 U.S.C. 1472(h)) is amended by adding at the end the following new paragraph:

“(18) DELEGATION OF APPROVAL.—The Secretary may delegate, in part or in full, the Secretary’s authority to approve and execute binding Rural Housing Service loan guarantees pursuant to this subsection to certain preferred lenders, in accordance with standards established by the Secretary.”

TITLE III—FHA MORTGAGE INSURANCE FOR CONDOMINIUMS

SEC. 301. MODIFICATION OF FHA REQUIREMENTS FOR MORTGAGE INSURANCE FOR CONDOMINIUMS.

Section 203 of the National Housing Act (12 U.S.C. 1709) is amended by adding at the end the following new subsection:

“(y) REQUIREMENTS FOR MORTGAGES FOR CONDOMINIUMS.—

“(1) PROJECT RECERTIFICATION REQUIREMENTS.—Notwithstanding any other law, regulation, or guideline of the Secretary, including chapter 2.4 of the Condominium Project Approval and Processing Guide of the FHA, the Secretary shall streamline the project certification requirements that are applicable to the insurance under this section for mortgages for condominium projects so that recertifications are substantially less burdensome than certifications. The Secretary shall consider lengthening the time between certifications for approved properties, and allowing updating of information rather than resubmission.

“(2) COMMERCIAL SPACE REQUIREMENTS.—Notwithstanding any other law, regulation, or guideline of the Secretary, including chapter 2.1.3 of the Condominium Project Approval and Processing Guide of the FHA, in providing for exceptions to the requirement for the insurance of a mortgage on a condominium property under this section regarding the percentage of the floor space of a condominium property that may be used for nonresidential or commercial purposes, the Secretary shall provide that—

“(A) any request for such an exception and the determination of the disposition of such request may be made, at the option of the requester, under the direct endorsement lender review and approval process or under the HUD review and approval process through the applicable field office of the Department; and

“(B) in determining whether to allow such an exception for a condominium property, factors

relating to the economy for the locality in which such project is located or specific to project, including the total number of family units in the project, shall be considered.

Not later than the expiration of the 90-day period beginning on the date of the enactment of this paragraph, the Secretary shall issue regulations to implement this paragraph, which shall include any standards, training requirements, and remedies and penalties that the Secretary considers appropriate.

“(3) TRANSFER FEES.—Notwithstanding any other law, regulation, or guideline of the Secretary, including chapter 1.8.8 of the Condominium Project Approval and Processing Guide of the FHA and section 203.41 of the Secretary’s regulations (24 C.F.R. 203.41), existing standards of the Federal Housing Finance Agency relating to encumbrances under private transfer fee covenants shall apply to the insurance of mortgages by the Secretary under this section to the same extent and in the same manner that such standards apply to the purchasing, investing in, and otherwise dealing in mortgages by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation. If the provisions of part 1228 of the Director of the Federal Housing Finance Agency’s regulations (12 C.F.R. part 1228) are amended or otherwise changed after the date of the enactment of this paragraph, the Secretary of Housing and Urban Development shall adopt any such amendments or changes for purposes of this paragraph, unless the Secretary causes to be published in the Federal Register a notice explaining why the Secretary will disregard such amendments or changes within 90 days after the effective date of such amendments or changes.

“(4) OWNER-OCCUPANCY REQUIREMENT.—

“(A) ESTABLISHMENT OF PERCENTAGE REQUIREMENT.—Not later than the expiration of the 90-day period beginning on the date of the enactment of this paragraph, the Secretary shall, by rule, notice, or mortgagee letter, issue guidance regarding the percentage of units that must be occupied by the owners as a principal residence or a secondary residence (as such terms are defined by the Secretary), or must have been sold to owners who intend to meet such occupancy requirements, including justifications for the percentage requirements, in order for a condominium project to be acceptable to the Secretary for insurance under this section of a mortgage within such condominium property.

“(B) FAILURE TO ACT.—If the Secretary fails to issue the guidance required under subparagraph (A) before the expiration of the 90-day period specified in such clause, the following provisions shall apply:

“(i) 35 PERCENT REQUIREMENT.—In order for a condominium project to be acceptable to the Secretary for insurance under this section, at least 35 percent of all family units (including units not covered by FHA-insured mortgages) must be occupied by the owners as a principal residence or a secondary residence (as such terms are defined by the Secretary), or must have been sold to owners who intend to meet such occupancy requirement.

“(ii) OTHER CONSIDERATIONS.—The Secretary may increase the percentage applicable pursuant to clause (i) to a condominium project on a project-by-project or regional basis, and in determining such percentage for a project shall consider factors relating to the economy for the locality in which such project is located or specific to project, including the total number of family units in the project.”

TITLE IV—HOUSING REFORMS FOR THE HOMELESS AND FOR VETERANS

SEC. 401. DEFINITION OF GEOGRAPHIC AREA FOR CONTINUUM OF CARE PROGRAM.

(a) DEFINITION.—Subtitle C of the McKinney-Vento Homeless Assistance Act is amended—

(1) by redesignating sections 432 and 433 (42 U.S.C. 11387, 11388) as sections 433 and 434, respectively; and

(2) by inserting after section 431 (42 U.S.C. 11386e) the following new section:

“SEC. 432. GEOGRAPHIC AREAS.

“(a) REQUIREMENT TO DEFINE.—For purposes of this subtitle, the term ‘geographic area’ shall have such meaning as the Secretary shall by notice provide.

“(b) ISSUANCE OF NOTICE.—Not later than the expiration of the 90-day period beginning on the date of the enactment of the Housing Opportunity Through Modernization Act of 2015, the Secretary shall issue a notice setting forth the definition required by subsection (a).”

(b) CLERICAL AMENDMENT.—The table of contents in section 101(b) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11301 note) is amended by striking the items relating to sections 432 and 433 and inserting the following new items:

“Sec. 432. Geographic areas.

“Sec. 433. Regulations.

“Sec. 434. Reports to Congress.”

SEC. 402. INCLUSION OF PUBLIC HOUSING AGENCIES AND LOCAL REDEVELOPMENT AUTHORITIES IN EMERGENCY SOLUTIONS GRANTS.

Section 414(c) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11373(c)) is amended—

(1) in the subsection heading, by inserting “, PUBLIC HOUSING AGENCIES, AND LOCAL REDEVELOPMENT AUTHORITIES” after “ORGANIZATIONS”; and

(2) in the first sentence, by inserting before the period at the end the following: “, to public housing agencies (as defined under section 3(b)(6) of the United States Housing Act of 1937), or to local redevelopment authorities (as defined under State law)”.

SEC. 403. SPECIAL ASSISTANT FOR VETERANS AFFAIRS IN THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

(a) TRANSFER OF POSITION TO OFFICE OF THE SECRETARY.—Section 4 of the Department of Housing and Urban Development Act (42 U.S.C. 3533) is amended by adding at the end the following new subsection:

“(h) SPECIAL ASSISTANT FOR VETERANS AFFAIRS.—

“(1) POSITION.—There shall be in the Office of the Secretary a Special Assistant for Veterans Affairs, who shall report directly to the Secretary.

“(2) APPOINTMENT.—The Special Assistant for Veterans Affairs shall be appointed based solely on merit and shall be covered under the provisions of title 5, United States Code, governing appointments in the competitive service.

“(3) RESPONSIBILITIES.—The Special Assistant for Veterans Affairs shall be responsible for—

“(A) ensuring veterans have fair access to housing and homeless assistance under each program of the Department providing either such assistance;

“(B) coordinating all programs and activities of the Department relating to veterans;

“(C) serving as a liaison for the Department with the Department of Veterans Affairs, including establishing and maintaining relationships with the Secretary of Veterans Affairs;

“(D) serving as a liaison for the Department, and establishing and maintaining relationships with the United States Interagency Council on Homelessness and officials of State, local, regional, and nongovernmental organizations concerned with veterans;

“(E) providing information and advice regard-

ing—

“(i) sponsoring housing projects for veterans assisted under programs administered by the Department; or

“(ii) assisting veterans in obtaining housing or homeless assistance under programs administered by the Department;

“(F) coordinating with the Secretary of Housing and Urban Development and the Secretary

of Veterans Affairs in carrying out section 404 of the Housing Opportunity Through Modernization Act of 2015; and

“(G) carrying out such other duties as may be assigned to the Special Assistant by the Secretary or by law.”.

(b) TRANSFER OF POSITION IN OFFICE OF DEPUTY ASSISTANT SECRETARY FOR SPECIAL NEEDS.—On the date that the initial Special Assistant for Veterans Affairs is appointed pursuant to section 4(h)(2) of the Department of Housing and Urban Development Act, as added by subsection (a) of this section, the position of Special Assistant for Veterans Programs in the Office of the Deputy Assistant Secretary for Special Needs of the Department of Housing and Urban Development shall be terminated.

SEC. 404. ANNUAL SUPPLEMENTAL REPORT ON VETERANS HOMELESSNESS.

(a) IN GENERAL.—The Secretary of Housing and Urban Development and the Secretary of Veterans Affairs, in coordination with the United States Interagency Council on Homelessness, shall submit annually to the Committees of the Congress specified in subsection (b), together with the annual reports required by such Secretaries under section 203(c)(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11313(c)(1)), a supplemental report that includes the following information with respect to the preceding year:

(1) The same information, for such preceding year, that was included with respect to 2010 in the report by the Secretary of Housing and Urban Development and the Secretary of Veterans Affairs entitled “Veterans Homelessness: A Supplemental Report to the 2010 Annual Homeless Assessment Report to Congress”.

(2) Information regarding the activities of the Department of Housing and Urban Development relating to veterans during such preceding year, as follows:

(A) The number of veterans provided assistance under the housing choice voucher program for Veterans Affairs supported housing under section 8(o)(19) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(19)), the socioeconomic characteristics of such homeless veterans, and the number, types, and locations of entities contracted under such section to administer the vouchers.

(B) A summary description of the special considerations made for veterans under public housing agency plans submitted pursuant to section 5A of the United States Housing Act of 1937 (42 U.S.C. 1437c-1) and under comprehensive housing affordability strategies submitted pursuant to section 105 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705).

(C) A description of the activities of the Special Assistant for Veterans Affairs of the Department of Housing and Urban Development.

(D) A description of the efforts of the Department of Housing and Urban Development and the other members of the United States Interagency Council on Homelessness to coordinate the delivery of housing and services to veterans.

(E) The cost to the Department of Housing and Urban Development of administering the programs and activities relating to veterans.

(F) Any other information that the Secretary of Housing and Urban Development and the Secretary of Veterans Affairs consider relevant in assessing the programs and activities of the Department of Housing and Urban Development relating to veterans.

(b) COMMITTEES.—The Committees of the Congress specified in this subsection are as follows:

(1) The Committee on Banking, Housing, and Urban Affairs of the Senate.

(2) The Committee on Veterans’ Affairs of the Senate.

(3) The Committee on Appropriations of the Senate.

(4) The Committee on Financial Services of the House of Representatives.

(5) The Committee on Veterans’ Affairs of the House of Representatives.

(6) The Committee on Appropriations of the House of Representatives.

TITLE V—MISCELLANEOUS

SEC. 501. INCLUSION OF DISASTER HOUSING ASSISTANCE PROGRAM IN CERTAIN FRAUD AND ABUSE PREVENTION MEASURES.

The Disaster Housing Assistance Program administered by the Department of Housing and Urban Development shall be considered a “program of the Department of Housing and Urban Development” under section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 3544) for the purpose of income verifications.

SEC. 502. ENERGY EFFICIENCY REQUIREMENTS UNDER SELF-HELP HOMEOWNER-SHIP OPPORTUNITY PROGRAM.

Section 11 of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 12805) is amended by inserting after subsection (f) the following new subsection:

“(g) ENERGY EFFICIENCY REQUIREMENTS.—The Secretary may not require any dwelling developed using amounts from a grant made under this section to meet any energy efficiency standards other than the standards applicable at such time pursuant to section 109 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12709) to housing specified in subsection (a) of such section.”.

SEC. 503. DATA EXCHANGE STANDARDIZATION FOR IMPROVED INTEROPERABILITY.

(a) DATA EXCHANGE STANDARDIZATION.—Title I of the 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. DATA EXCHANGE STANDARDS FOR IMPROVED INTEROPERABILITY.

“(a) DESIGNATION.—The Secretary shall, in consultation with an interagency work group established by the Office of Management and Budget, and considering State government perspectives, designate data exchange standards to govern, under this Act—

“(1) necessary categories of information that State agencies operating related programs are required under applicable law to electronically exchange with another State agency; and

“(2) Federal reporting and data exchange required under applicable law.

“(b) REQUIREMENTS.—The data exchange standards required by subsection (a) shall, to the maximum extent practicable—

“(1) incorporate a widely accepted, nonproprietary, searchable, computer-readable format, such as the eXtensible Markup Language;

“(2) contain interoperable standards developed and maintained by intergovernmental partnerships, such as the National Information Exchange Model;

“(3) incorporate interoperable standards developed and maintained by Federal entities with authority over contracting and financial assistance;

“(4) be consistent with and implement applicable accounting principles;

“(5) be implemented in a manner that is cost-effective and improves program efficiency and effectiveness; and

“(6) be capable of being continually upgraded as necessary.

“(c) RULES OF CONSTRUCTION.—Nothing in this section requires a change to existing data exchange standards for Federal reporting found to be effective and efficient.”.

(b) APPLICABILITY.—

(1) IN GENERAL.—Not later than 2 years after the date of the enactment of this Act, the Secretary of Housing and Urban Development shall issue a proposed rule to carry out the amendments made by subsection (a).

(2) REQUIREMENTS.—The rule shall—

(A) identify federally required data exchanges;

(B) include specification and timing of exchanges to be standardized;

(C) address the factors used in determining whether and when to standardize data exchanges;

(D) specify State implementation options; and

(E) describe future milestones.

The Acting CHAIR. No amendment to that amendment in the nature of a substitute shall be in order except those printed in House Report 114-411. Each such amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

AMENDMENT NO. 1 OFFERED BY MR. BUCHANAN

The Acting CHAIR. It is now in order to consider amendment No. 1 printed in House Report 114-411.

Mr. BUCHANAN. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 16, line 2, after “develop” insert “electronic”.

Page 16, line 4, strike “income” and insert “benefit”.

Page 16, after line 14, insert the following:

“(E) ELECTRONIC INCOME VERIFICATION.—The Secretary shall develop a mechanism for disclosing information to a public housing agency for the purpose of verifying the employment and income of individuals and families in accordance with section 453(j)(7)(E) of the Social Security Act (42 U.S.C. 653(j)(7)(E)), and shall ensure public housing agencies have access to information contained in the ‘Do Not Pay’ system established by section 5 of the Improper Payments Elimination and Recovery Improvement Act of 2012 (Public Law 112-248; 126 Stat. 2392).”.

Page 16, line 15, strike “(E)” and insert “(F)”.

Page 34, line 14, strike the closing quotation marks and the last period.

Page 34, after line 14, insert the following:

“(7) VERIFYING INCOME.—

“(A) Beginning in fiscal year 2018, the Secretary shall require public housing agencies to require each applicant for, or recipient of, benefits under this Act to provide authorization by the applicant or recipient (or by any other person whose income or resources are material to the determination of the eligibility of the applicant or recipient for such benefits) for the public housing agency to obtain (subject to the cost reimbursement requirements of section 1115(a) of the Right to Financial Privacy Act) from any financial institution (within the meaning of section 1101(1) of such Act) any financial record (within the meaning of section 1101(2) of such Act) held by the institution with respect to the applicant or recipient (or any such other person) whenever the public housing agency determines the record is needed in connection with a determination with respect to such eligibility or the amount of such benefits.

“(B) Notwithstanding section 1104(a)(1) of the Right to Financial Privacy Act, an authorization provided by an applicant or recipient (or any other person whose income or resources are material to the determination of the eligibility of the applicant or recipient) pursuant to subparagraph (A) of this paragraph shall remain effective until the earliest of—

“(i) the rendering of a final adverse decision on the applicant’s application for eligibility for benefits under this Act;

“(ii) the cessation of the recipient’s eligibility for benefits under this Act; or

“(iii) the express revocation by the applicant or recipient (or such other person referred to in subparagraph (A)) of the authorization, in a written notification to the Secretary.

“(C)(i) An authorization obtained by the public housing agency pursuant to this paragraph shall be considered to meet the requirements of the Right to Financial Privacy Act for purposes of section 1103(a) of such Act, and need not be furnished to the financial institution, notwithstanding section 1104(a) of such Act.

“(ii) The certification requirements of section 1103(b) of the Right to Financial Privacy Act shall not apply to requests by the public housing agency pursuant to an authorization provided under this clause.

“(iii) A request by the public housing agency pursuant to an authorization provided under this clause is deemed to meet the requirements of section 1104(a)(3) of the Right to Financial Privacy Act and the flush language of section 1102 of such Act.

“(iv) The public housing agency shall inform any person who provides authorization pursuant to this paragraph of the duration and scope of the authorization.

“(D) If an applicant for, or recipient of, benefits under this Act (or any such other person referred to in subparagraph (A)) refuses to provide, or revokes, any authorization made by the applicant or recipient for the public housing agency to obtain from any financial institution any financial record, the public housing agency may, on that basis, determine that the applicant or recipient is ineligible for benefits under this title.”.

The Acting CHAIR. Pursuant to House Resolution 594, the gentleman from Florida (Mr. BUCHANAN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Florida.

Mr. BUCHANAN. Mr. Chairman, I yield myself such time as I may consume.

I would like to first thank the subcommittee chair of Financial Services, Mr. LUETKEMEYER, for his leadership on such important issues.

As chairman of the Human Resources Subcommittee of Ways and Means, I have the distinct privilege of overseeing a number of means-tested programs aimed at providing low-income individuals and families an opportunity to move up the economic ladder.

There are a lot of lessons we have learned, and we should be using them to better serve recipients and taxpayers.

In June of last year, the Department of Housing and Urban Development’s Office of Inspector General found that the Federal Government paid public housing benefits to families with excessive income and assets when those benefits should have gone to low-income families in real need.

This amendment builds on reforms made by the underlying bill. This amendment reduces that burden on families by using systems they are most likely already interacting with for other means-tested programs. It

also improves accuracy for housing authorities and landlords, providing them with more timely and reliable information.

□ 1545

Ultimately, it ensures that those with assets well above the eligibility limits will not be using benefits directed to those Americans who need the most help.

I encourage all my colleagues to support this amendment and support the underlying bill.

Mr. Chair, I reserve the balance of my time.

Ms. MAXINE WATERS of California. Mr. Chairman, I claim time in opposition to the amendment.

The Acting CHAIR. The gentlewoman is recognized for 5 minutes.

Ms. MAXINE WATERS of California. Mr. Chairman, I rise in opposition to this amendment. I have concerns that there are a lot of unanswered questions regarding the new income verification system that is being proposed in this amendment, and I think it needs to be addressed.

First, it appears that there would be a cost associated with this amendment. Housing authorities would have to spend some of their operating fund dollars to comply with the new requirements in this amendment, and that takes away from other important things that they must prioritize.

It is important to note that the public housing operating fund and administrative fees are severely underfunded, so public housing authorities are already struggling to make ends meet. H.R. 3700 is intended to ease administrative burdens, but this amendment seems to be increasing burdens without any additional funding. In other words, it is an unfunded mandate.

Secondly, it is unclear whether all housing authorities have the electronic infrastructure in place to securely maintain and protect residents’ personal financial data, which could include bank account information, in a manner that is inconsistent with what current financial regulators have. If housing authorities need to upgrade their systems, that would also cost money that is not provided for in this amendment.

Third, it is not clear how this amendment would work for residents who are unbanked. This amendment virtually ignores millions of Americans that are unbanked.

Fourth, this amendment seems to be addressing a problem that doesn’t exist because I have not seen any evidence that residents are currently not providing accurate information when applying for housing assistance.

Lastly, H.R. 3700 already includes a provision to address over-income households in public housing to help ensure that taxpayers are not subsidizing these households. For every piece of legislation that we pass, it should be carefully considered, which is why we should not adopt this hasty

amendment that has not been thoroughly studied by congressional staff or our housing groups, the administration, and carefully negotiated by both parties.

Mr. Chairman and Members, let me just say this: We have a good bill here. We have gone a long way in dealing with whatever concerns either side may have. We have a compromise piece of legislation. We have a consensus piece of legislation. Let’s not mess it up. We don’t need this amendment. I would ask for a “no” vote on the amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. BUCHANAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri (Mr. LUETKEMEYER).

Mr. LUETKEMEYER. Mr. Chairman, I would just like to speak in support of the amendment.

I believe the amendment reduces the burden on families for using solutions that already are likely to be in place with regards to interacting through other means testing programs. I think it improves the efficiency for public housing authorities and landlords, providing more accurate and timely eligibility information. It minimizes the risk of waste, fraud, and abuse of tax dollars and ensures limited resources are better targeted to families in need by requiring public housing agencies to access data used by other means tested programs or by assets.

This amendment further strengthens the response to the 2015 inspector general’s audit, which revealed individuals with substantial assets were receiving rental subsidies. This amendment builds on the progress made by the Committee on Financial Services to better target housing assistance to the needs of low-income individuals and families.

The current system in determining eligibility for rental subsidies is burdensome to program recipients to report income that can vary as much as every week and time consuming for public housing agencies and landlords to collect and verify this information, unfair to taxpayers who expect tax dollars to be targeted to families most in need.

I think you can see what I believe is an asset here from the standpoint it is going to streamline the system. It is going to save money. I think it makes it easier for the people to access, it is going to make it easier for the individuals who are working with those folks to be able to do a better job of getting and accumulating the information as quickly as possible to better ferret out the ones who need the help and ones who don’t, and therefore do a good job of managing our taxpayer dollars.

Mr. BUCHANAN. Mr. Speaker, I reserve the balance of my time.

Ms. MAXINE WATERS of California. Mr. Chairman and Members, I basically made an appeal to my Republican colleagues to reject this amendment. I basically talked about the fact that we

have gone a long way toward reconciling our differences and that we don't need to endanger the bill at all with an amendment like this.

I am not sure exactly what the gentleman is attempting to do. We already have systems in existence by which those who wish to live in public housing have to verify their income. I don't know what is being attempted here. If the attempt is to try and go to financial institutions and say to them, is it true that this person only has \$5 in their bank account or what have you? I am not sure that the housing authority would want to assume that additional responsibility and that additional cost, so I have to continue to oppose this amendment. Perhaps there is a better explanation than I have heard, but I have not heard a good explanation about why we should adopt it.

Mr. Chair, I reserve the balance of my time.

Mr. BUCHANAN. Mr. Chair, my understanding is PHAs asked for this, but let me just say my amendment will reduce the burdens on families by using solutions they are already interacting with through other means-tested programs.

I encourage all my colleagues to support this amendment and to support the underlying bill.

I yield back the balance of my time.

Ms. MAXINE WATERS of California. Mr. Chairman, I am pleased that the gentleman talked about having talked with the public housing authorities because we did, too, and they had no idea what your bill is. They didn't know anything about it, they didn't understand why it was being done, so we have a difference of opinion, I suppose, about what the public housing authorities are saying.

I am saying that based on our inquiries, they did not support your legislation because they didn't understand it. They didn't know it exists. They didn't know what it was all about.

I would, again, ask for a "no" vote on this amendment.

Mr. Chairman, I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Florida (Mr. BUCHANAN).

The amendment was agreed to.

AMENDMENT NO. 2 OFFERED BY MS. MAXINE WATERS OF CALIFORNIA

The Acting CHAIR. It is now in order to consider amendment No. 2 printed in House Report 114-411.

Ms. MAXINE WATERS of California. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Strike line 17 on page 20 and all that follows through page 21, line 10, and insert the following:

"(B) MINORS, STUDENTS, AND PERSONS WITH DISABILITIES.—\$480 for each member of the family residing in the household (other than the head of the household or his or her

spouse) who is less than 18 years of age or is attending school or vocational training on a full-time basis, or who is 18 years of age or older and is a person with disabilities.

"(C) CHILD CARE.—Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education."

The Acting CHAIR. Pursuant to House Resolution 594, the gentlewoman from California (Ms. MAXINE WATERS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman.

Ms. MAXINE WATERS of California. Mr. Chairman, my amendment would remove the harmful provision in H.R. 3700 that would effectively raise rent for thousands of families with children who are living in HUD-assisted housing by limiting the amount they can deduct from their income for childcare expenses. These are parents, particularly single parents, who are already struggling to pay for the cost of child care in order to work or to go to school.

I believe we should not be crippling their ability to juggle these responsibilities. We should be supporting them. I believe that my Republican colleagues share my concerns. We simply did not have the data that we needed at the markup to truly understand how this provision would affect these households.

As I mentioned in my opening statement, the Republicans have indicated that they will support this amendment, which will remove this harmful language and preserve the current law. This will ensure that families with children will not be burdened with a rent increase as a result of this bill.

I would like to thank my colleagues across the aisle for working with me on this issue to find common ground.

I urge my colleagues to support my amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. HENSARLING. Mr. Chairman, I ask unanimous consent to claim the time in opposition to the amendment, although I am not opposed.

The Acting CHAIR. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Acting CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. HENSARLING. Mr. Chairman, if nothing else, I would just like to throw the ranking member a curve ball and actually accept one of her amendments, just to show that minor miracles can still occur within the Halls of Congress and on the floor of the United States House of Representatives. Particularly after a very robust debate this morning on the budget views and estimates, this might be a welcome departure.

Anyway, I am prepared to accept the ranking member's amendment. Again, as she said, H.R. 3700 will allow only families to deduct childcare expenses that exceed 5 percent. The ranking

member's amendment would revert back to current law. I think that in this particular case there are some trade-offs to be made, and I am willing to accept this particular trade-off and work with the ranking member to forward the overall bill.

I urge all Members to accept it and vote for it.

Mr. Chairman, I yield back the balance of my time.

Ms. MAXINE WATERS of California. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York (Ms. VELÁZQUEZ), the ranking member of the Committee on Small Business and a member of the Committee on Financial Services.

Ms. VELÁZQUEZ. Mr. Chairman, I rise today in support of the gentlewoman from California's amendment.

Mr. Chairman, in New York City access to safe and affordable housing is a critical issue. Just in Brooklyn, the city's housing shortage has driven rents to over \$2,500 a month for a 1-bedroom apartment. As a result, a majority of households spend more than 30 percent of their income on housing, making these individuals and families rent burdened.

For this reason, the New York City Housing Authority, the Nation's largest public housing authority, provides a home to more than 4,000 New Yorkers. Unfortunately, tens of thousands of families remain on waiting lists for units.

Congress cannot dictate market rents, but we can change Federal programs empowering public housing authorities to address budgetary shortfalls, adapt to changing conditions, and better assist current and prospective tenants. That is why we provided the Secretary the ability to adjust the over-income threshold for public housing tenancy, to assist those tenants and families living in public housing where rents and incomes are well above average, like New York.

While this bill makes several reforms like these to public housing and Section 8 rental assistance, many of which are bipartisan and have been discussed for years, I am concerned about the bill's impact on families with children.

According to a recent study by the Center on Budget and Policy Priorities, H.R. 3700's changes to the childcare deduction could cost 52,000 families with children to face a rent increase of \$25 or more. More than half the families affected are extremely low income and would be hard pressed to afford such an increase. Mr. Chair, \$25, \$50, or \$75 might not sound like a lot of money for us, but for low-income families that have to struggle every day, this is a lot of money.

While updating and improving our Nation's rental assistance and public housing programs are important goals—one I will continue fighting for—they cannot be accomplished on the backs of the Nation's children.

I, therefore, urge adoption of the gentlewoman's amendment, which will

strike the burdensome childcare deduction language.

I am very impressed with the chairman today. I hope that from now on we can work in a bipartisan, humane way to address the issues of the shortage of housing in our Nation. I congratulate the ranking member.

Ms. MAXINE WATERS of California. Mr. Chairman, I would simply thank all of the Members who have worked on this bill, and I thank all of the support that I am getting for this amendment.

I want to thank the chairman. Despite the fact he had a rather difficult time on committee today, he conducted himself rather well, and I enjoyed working with him. I am very thankful that he is here to give support on this amendment and the leadership he has given.

Mr. Chairman, I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from California (Ms. MAXINE WATERS).

The amendment was agreed to.

□ 1600

AMENDMENT NO. 3 OFFERED BY MS. SEWELL OF ALABAMA

The Acting CHAIR (Mr. POE of Texas). It is now in order to consider amendment No. 3 printed in House Report 114-411.

Ms. SEWELL of Alabama. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 26, after line 3, insert the following new subsection:

(h) STUDY ON IMPACT ON ELDERLY AND DISABLED FAMILIES OF DECREASED DEDUCTIONS IN INCOME.—

(1) STUDY.—The Secretary of Housing and Urban Development shall conduct a study to determine the impacts, on rents paid by elderly and disabled individuals and families assisted under the section 8 rental assistance and public housing programs under the United States Housing Act of 1937 (42 U.S.C. 1437 et seq), of any decreases in the amounts of any deductions from income (for purposes of section 3(b) of such Act (42 U.S.C. 1437a(b))), as compared to such deductions under such section 3(b) as in effect before the effectiveness of this section, resulting from the amendments made by this section.

(2) REPORT.—The Secretary shall submit to the Congress a report setting forth the results of the study conducted pursuant to paragraph (1) not later than the expiration of the 12-month period beginning on the date of the enactment of this Act.

(3) EFFECTIVE DATE.—Notwithstanding subsection (h) of this section, this subsection shall take effect on the date of the enactment of this Act.

The Acting CHAIR. Pursuant to House Resolution 594, the gentlewoman from Alabama (Ms. SEWELL) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Alabama.

Ms. SEWELL of Alabama. Mr. Chair, I rise today in support of my amendment to H.R. 3700.

My amendment is commonsense and straightforward. It simply requires the Secretary of HUD to conduct a study to determine the impact of the decreased deductions on rent paid by elderly, disabled individuals, and families assisted under the Section 8 rental assistance and housing programs.

Being able to assess quality, safe, and affordable housing is critically important to all Americans. The Section 8 voucher program and other rental assistance programs play a vital role in providing this type of housing for our Nation's most vulnerable citizens, including seniors, disabled persons, and low-income families. In fact, nearly all of the households currently under HUD rental assistance include children, the elderly, or disabled individuals.

These rental assistance programs house over 10 million individuals in roughly 4.6 million rental units across the country. It is clear that these voucher and rental assistance programs continue to perform the task for which they were created, which is providing shelter for millions of Americans.

In spite of its enormous success, the Section 8 voucher program, arguably, still suffers under the weight of too many inefficient and duplicative requirements that threaten the overall effectiveness of the program.

As drafted, H.R. 3700 takes major bipartisan steps toward helping preserve our scarce housing resources while expanding housing availability. However, as we attempt to reform these programs, we must be mindful and ever diligent in ensuring that the proposed changes are beneficial to their overall implementation and that there are no negative, unintended consequences on the program's participants. To that end, my amendment allows us to gauge the effectiveness of some of the changes being made here today and their impact on the most vulnerable segments of our population: the elderly and disabled.

We all know that no program is perfect. We must work together to strike a delicate balance and ensure programs are both workable and do what they intend to do without adverse impacts on those who are greatly benefited by them. I urge my colleagues to support this amendment.

Mr. Chair, I reserve the balance of my time.

Mr. HENSARLING. Mr. Chairman, I ask unanimous consent to claim the time in opposition, although I am not opposed.

The Acting CHAIR. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Acting CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. HENSARLING. I thank the gentlewoman from Alabama for her amendment. It is a bipartisan amendment. She makes some good points. We are happy to accept it.

As long as I am here, I would like to point out to the distinguished ranking

member that anytime my side wins all the votes, I am not having a tough day. I am having a really good day.

Mr. Chairman, I yield back the balance of my time.

Ms. SEWELL of Alabama. I thank the chairman for accepting my amendment. I think that all Americans win when we act in a bipartisan manner. I am really grateful for your assistance in making this legislation stronger.

I want to thank the ranking member for her leadership on this bill, as well as my colleague, Representative CLEAVER, for his leadership on this bill.

Mr. Chair, I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Alabama (Ms. SEWELL).

The amendment was agreed to.

The Acting CHAIR. It is now in order to consider amendment No. 4 printed in House Report 114-411.

AMENDMENT NO. 5 OFFERED BY MR. HINOJOSA

The Acting CHAIR. It is now in order to consider amendment No. 5 printed in House Report 114-411.

Mr. HINOJOSA. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 55, after line 24, insert the following new section:

SEC. 202. GUARANTEED UNDERWRITING USER FEE.

Section 502 of the Housing Act of 1949 (42 U.S.C. 1472) is amended by adding at the end the following new subsection:

“(i) GUARANTEED UNDERWRITING USER FEE.—

“(1) AUTHORITY; MAXIMUM AMOUNT.—The Secretary may assess and collect a fee for a lender to access the automated underwriting systems of the Department in connection with such lender's participation in the single family loan program under this section and only in an amount necessary to cover the costs of information technology enhancements, improvements, maintenance, and development for automated underwriting systems used in connection with the single family loan program under this section, except that such fee shall not exceed \$50 per loan.

“(2) CREDITING; AVAILABILITY.—Any amounts collected from such fees shall be credited to the Rural Development Expense Account as offsetting collections and shall remain available until expended, in the amounts provided in appropriation Acts, solely for expenses described in paragraph (1).”

The Acting CHAIR. Pursuant to House Resolution 594, the gentleman from Texas (Mr. HINOJOSA) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Texas.

Mr. HINOJOSA. Mr. Chairman, today I rise to offer an amendment to H.R. 3700, entitled, the Housing Opportunities Through Modernization Act of 2015.

I want to thank Mr. LUETKEMEYER for his hard work on this bill and for the bipartisan and collaborative way in which he went about this important housing reform. I also wish to thank

the ranking member, Ms. MAXINE WATERS of California, for her hard work and for always looking out for those most needy in our society and for working to improve this bill.

My amendment would authorize a nominal user fee on lenders accessing the underwriting systems for the Section 502 Single Family Housing Guaranteed Loan Program. This fee would not exceed \$50 per loan and would enable the United States Department of Agriculture to make much-needed upgrades to their automated underwriting system in order to match industry standards.

Mr. Chairman, I believe that access to safe, decent, and affordable housing can transform lives. Federal programs like the Section 502 Single Family Housing Guaranteed Loan Program play a critical role in expanding home ownership and opportunity for our rural communities. This Federal program has helped over 2 million families build wealth through the equity in their home and encourages lenders to provide loans to those who cannot usually obtain conventional financing.

Through this program, lenders are enabled and encouraged to serve borrowers they might typically reject without the guarantee, increasing borrowers' access to home ownership opportunities. We owe it to our rural communities to provide the Section 502 program with the resources it needs to modernize and to continue expanding home ownership and opportunity in our most underserved rural communities.

The Single Family Housing Guaranteed Loan Program relies on the Guaranteed Underwriting System for determining loan approvals quickly and accurately. Unfortunately, the current system is in need of substantial technological improvements in order to process risk requests more efficiently. Guaranteed Underwriting System development is necessary for sound portfolio risk management and will benefit USDA field staff, rural borrowers, and private sector lenders alike.

My amendment will cover the cost of developing and maintaining the Guaranteed Underwriting System and enable the Single Family Housing Guaranteed Loan Program to be administered in a more effective manner, despite recent staffing reductions.

The nominal fee authorized by my amendment will be used to enhance and maintain the Guaranteed Underwriting System and bring it into the 21st century. It is expected that a fee ranging between \$25 and \$50 will generate approximately \$4 million a year, starting in 2018. The fee will support important program improvements, including the delegation of underwriting to preferred lenders.

The fee will also develop the underwriting system's technological capabilities to current standards, including enhanced loan and lender oversight, metrics, and programmatic controls. This efficiency upgrade will allow USDA staff to allocate the necessary

time and resources to the most complex underwriting decisions.

Finally, Congress has long invested in making rural home ownership a reality. The Section 502 Single Family Housing Guaranteed Loan Program receives \$24 billion a year and has helped millions of families reach the dream of home ownership.

Mr. Chairman, my amendment supports the USDA fiscal year 2016 budget request and is supported by prominent rural housing advocacy groups such as the National Rural Housing Coalition and the Housing Assistance Council. I urge all my colleagues on both sides of the aisle to support this amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. HENSARLING. Mr. Chairman, I ask unanimous consent to claim the time in opposition to the amendment, although I am not opposed.

The Acting CHAIR. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Acting CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. HENSARLING. Mr. Chairman, I rise in support of the amendment of the gentleman from Texas. I thank him for his leadership in this area of rural housing. I think it plays a role in helping develop a more modern and efficient management and underwriting system to assess mortgage credit risk, prevent foreclosures, and manage a billion-dollar portfolio.

This is a bipartisan amendment and a bipartisan bill. We are happy to accept it. I urge Members to adopt it.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Texas (Mr. HINOJOSA).

The amendment was agreed to.

AMENDMENT NO. 6 OFFERED BY MS. MENG

The Acting CHAIR. It is now in order to consider amendment No. 6 printed in House Report 114-411.

Ms. MENG. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 55, after line 11, add the following new section:

SEC. 111. PUBLIC HOUSING HEATING GUIDELINES.

Section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

“(o) PUBLIC HOUSING HEATING GUIDELINES.—The Secretary shall publish model guidelines for minimum heating requirements for public housing dwelling units operated by public housing agencies receiving assistance under this section.”.

The Acting CHAIR. Pursuant to House Resolution 594, the gentlewoman from New York (Ms. MENG) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from New York.

Ms. MENG. Mr. Chair, this amendment would require HUD to publish model guidelines for minimum heating requirements for public housing units.

Unfortunately, Mr. Chair, some public housing agencies across this country have struggled with the fundamental task of providing adequate housing and heating to low-income residents.

Less than 2 months ago, the New York Daily News and Reuters published a series of articles about tenants at the Frederick Douglass Houses in New York City, complaining that they were without heat for several frigid evenings in a row.

In response to these complaints, New York City public advocate Letitia James and Legal Services New York City filed a lawsuit on behalf of the tenants, and in their filing they quote a November 25 email from Robert Knapp, head of the New York City Housing Authority's heating management services unit, stating:

NYCHA official policy . . . is heat shut off between 10 p.m. and 5 a.m. when the outside temperatures are above 20 degrees. When the outside temperature falls below 20 degrees, heat is given through the night.

Frankly, this is appalling.

Many Democratic Representatives from New York City agreed with me, and that is why we submitted a letter, led by my good friends and colleagues, Representatives ENGEL and RANGEL, to the head of NYCHA, urging it to completely abandon the current heating policy. That letter was submitted to NYCHA—the largest housing agency in the country, overseeing more than 400,000 residents living in 2,500 buildings—more than a month ago, and we have yet to receive a response. That is why I have come to the floor today.

While it is not in our authority to mandate what a building's heating requirements should be in any particular city across this vast country, clearly some help is needed. Apparently, some local agencies might need official guidance from HUD outlining the fact that it is a good idea to turn the heat on at night when the temperature outside is below freezing.

I was hopeful things would not come to this point, but right now, in the middle of winter, when almost one in five public housing residents in my city are age 62 or older, and more than a quarter of them are children under the age of 18, I feel that this matter could ultimately be one of life or death.

□ 1615

We do not want to return to an age in which tenants of local public housing authorities are forced to revert to heating their homes with stoves.

Many of us here are all too familiar with the unfortunate tragedies that occur as a result of that practice and the fires that can also occur when residents are forced to rely on individual space heaters.

For not only the safety of public housing residents across America, but

also their humanity, heating standards must be improved.

It is my hope that this amendment today, which mandates that HUD produce model heating guidelines, will assist in this endeavor. It is also my hope that all of my colleagues will support this effort.

Mr. Chairman, I reserve the balance of my time.

Mr. HENSARLING. Mr. Chairman, I ask unanimous consent to claim the time in opposition to this amendment, although I am not opposed to it.

The Acting CHAIR. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Acting CHAIR. The gentleman from Texas is recognized for 5 minutes.

Mr. HENSARLING. Mr. Chairman, I listened very carefully to the gentleman's comments on the floor. I am prepared to accept the amendment. She makes some reasonable arguments. I urge its adoption.

I yield back the balance of my time.

Ms. MENG. I thank the Chairman for his support.

Mr. ENGEL. Will the gentlewoman yield?

Ms. MENG. I yield to the gentleman from New York.

Mr. ENGEL. Mr. Chairman, I thank the gentlewoman for yielding to me. I certainly support what she is trying to do.

Last December it came to light that the New York City Housing Authority, NYCHA, has as recently as 2013 shut down boilers in public housing properties unless outside temperatures drop below 25 degrees. This forces residents to go without heat during the coldest months of the year.

I grew up in affordable housing. I grew up in city housing. So I am particularly sensitive to everything that the New York City Housing Authority does.

I was outraged by this revelation. More than 400,000 New Yorkers live in NYCHA buildings, and, what's more, more than half of these residents live below the poverty line.

These New Yorkers, along with every American living in public housing, pay rent and, in return, depend on Housing Authority leadership to fulfill the very reasonable need, a safe and decent shelter.

A practice that forces tenants to grapple with bitter temperatures just doesn't fail to meet that need, it is reckless and demeaning.

Myself, Ms. MENG, and eight other members of the New York City delegation sent a letter to the New York City Housing Authority asking that they immediately issue guidance condemning this practice and make certain that none of their buildings continue to adhere to this outrageous policy.

It is important, though, that no American living in public housing be forced to suffer through the winter months, and that is exactly what this

amendment will prevent by requiring the Secretary of Housing and Urban Development to issue guidelines on minimum heating requirements.

I urge my colleagues to vote for this and ensure that public housing residents' health and safety are protected.

I want to thank my colleague from New York (Ms. MENG) for partnering with me on this important issue, and I thank her for her leadership.

Ms. MENG. Mr. Chairman, I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from New York (Ms. MENG).

The amendment was agreed to.

The Acting CHAIR. The Committee will rise informally.

The Speaker pro tempore (Mr. WOODALL) assumed the chair.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Sherman Williams, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

HOUSING OPPORTUNITY THROUGH MODERNIZATION ACT OF 2015

The Committee resumed its sitting.

AMENDMENT NO. 7 OFFERED BY MR. PALAZZO

The Acting CHAIR (Mr. POE of Texas). It is now in order to consider amendment No. 7 printed in House Report 114-411.

Mr. PALAZZO. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 55, after line 11, insert the following new section:

SEC. 111. EXCEPTION TO PUBLIC HOUSING AGENCY RESIDENT BOARD MEMBER REQUIREMENT.

Subsection (b) of section 2 of the United States Housing Act of 1937 (42 U.S.C. 1437(b)) is amended—

(1) in paragraph (1), by striking “paragraph (2)” and inserting “paragraphs (2) and (3)”;

(2) by redesignating paragraph (3) as paragraph (4); and

(3) by inserting after paragraph (2) the following new paragraph:

“(3) EXCEPTION FOR CERTAIN JURISDICTIONS.—

“(A) EXCEPTION.—A covered agency (as such term is defined in subparagraph (C) of this paragraph) shall not be required to include on the board of directors or a similar governing board of such agency a member described in paragraph (1).

“(B) ADVISORY BOARD REQUIREMENT.—Each covered agency that administers Federal housing assistance under section 8 (42 U.S.C. 1437f) that chooses not to include a member described in paragraph (1) on the board of directors or a similar governing board of the agency shall establish an advisory board of not less than 6 residents of public housing or recipients of assistance under section 8 (42 U.S.C. 1437f) to provide advice and comment to the agency or other administering entity on issues related to public housing and section 8. Such advisory board shall meet not less than quarterly.

“(C) COVERED AGENCY OR ENTITY.—For purposes of this paragraph, the term ‘covered agency’ means a public housing agency or such other entity that administers Federal housing assistance for—

“(I) the Housing Authority of the county of Los Angeles, California; or

“(ii) any of the States of Alaska, Iowa, and Mississippi.”.

The Acting CHAIR. Pursuant to House Resolution 594, the gentleman from Mississippi (Mr. PALAZZO) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Mississippi.

Mr. PALAZZO. Mr. Chairman, today's bill to improve public housing is a strong step in streamlining a massive Federal program. I want to thank Chairman HENSARLING for allowing us to have this debate.

As a former public housing authority executive, I know all too well how important it is to balance financial and managerial responsibility and oversight while, at the same time, ensuring residents' needs are met.

This amendment is simple and addresses an outdated and misinformed statute in the United States Housing Act that requires the membership of directors of a public housing agency contain one member who is directly assisted by the agency.

Opposition to this rule is not new. When HUD proposed these rules in 1999, PHAs across the United States issued statements of opposition.

Some would argue that requiring resident members to serve on the board is a blatant conflict of interest, as he or she would be making decisions that financially impact his or her family and their well-being. While I agree, I am not here to debate that today.

This amendment addresses only the PHAs in three States and one county. This is because, in our respective State constitutions, there are provisions that expressly oppose the idea of a board member of any group receiving benefits from the very agency upon which he or she serves.

This amendment does not rob the residents in specified areas of a voice in the affairs of their housing. In fact, it is a Federal requirement that each PHA have a resident advisory board comprised of at least one resident who serves as a liaison between the PHA and housing residents. I speak from experience when I say that their input is always acknowledged and much appreciated.

This commonsense provision is usually passed through the appropriations process, as it has been for decades. My amendment simply makes it permanent. I encourage adoption of this commonsense provision.

I reserve the balance of my time.

Ms. MAXINE WATERS of California. Mr. Chairman, I rise in opposition to this amendment.

The Acting CHAIR. The gentlewoman is recognized for 5 minutes.