

110TH CONGRESS  
2D SESSION

# H. R. 5772

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

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 10, 2008

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

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## A BILL

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

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

3       **SECTION 1. SHORT TITLE; REFERENCES.**

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

7       (b) **REFERENCES.**—Except as otherwise expressly  
8       provided, wherever in this Act an amendment or repeal

1 is expressed in terms of an amendment to, or repeal of,  
2 section 811 or any other provision of section 811, the ref-  
3 erence shall be considered to be made to section 811 of  
4 the Cranston-Gonzalez National Affordable Housing Act  
5 (42 U.S.C. 8013).

6 **SEC. 2. TENANT-BASED RENTAL ASSISTANCE THROUGH**  
7 **CERTIFICATE FUND.**

8 (a) **TERMINATION OF MAINSTREAM TENANT-BASED**  
9 **RENTAL ASSISTANCE PROGRAM.**—Section 811 is amend-  
10 ed—

11 (1) in subsection (b)—

12 (A) by striking the subsection designation  
13 and all that follows through the end of subpara-  
14 graph (B) of paragraph (2) and inserting the  
15 following:

16 “(b) **AUTHORITY TO PROVIDE ASSISTANCE.**—The  
17 Secretary is authorized to provide assistance to private  
18 nonprofit organizations to expand the supply of supportive  
19 housing for persons with disabilities, which shall be pro-  
20 vided as—

21 “(1) capital advances in accordance with sub-  
22 section (d)(1), and

23 “(2) contracts for project rental assistance in  
24 accordance with subsection (d)(2).”; and

1 (B) by striking “assistance under this  
2 paragraph” and inserting “Assistance under  
3 this subsection”;

4 (2) in subsection (d), by striking paragraph (4);  
5 and

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

7 (b) RENEWAL THROUGH SECTION 8.—Section 811  
8 is amended by adding at the end the following new sub-  
9 section:

10 “(p) AUTHORIZATION OF APPROPRIATIONS FOR SEC-  
11 TION 8 ASSISTANCE.—

12 “(1) IN GENERAL.—There is authorized to be  
13 appropriated for tenant-based rental assistance  
14 under section 8(o) of the United States Housing Act  
15 of 1937 (42 U.S.C. 1437f(o)) for persons with dis-  
16 abilities in fiscal year 2009 the amount necessary to  
17 provide a number of incremental vouchers under  
18 such section that is equal to the number of vouchers  
19 provided in fiscal year 2008 under the tenant-based  
20 rental assistance program under subsection (d)(4) of  
21 this section (as in effect before the date of the enact-  
22 ment of the Frank Melville Supportive Housing In-  
23 vestment Act of 2008).

24 “(2) REQUIREMENTS UPON TURNOVER.—The  
25 Secretary shall develop and issue, to public housing

1 agencies that receive voucher assistance made avail-  
2 able under this subsection and to public housing  
3 agencies that received voucher assistance under sec-  
4 tion 8(o) of the United States Housing Act of 1937  
5 (42 U.S.C. 1437f(o)) for non-elderly disabled fami-  
6 lies pursuant to appropriation Acts for fiscal years  
7 1997 through 2002 or any other subsequent appro-  
8 priations for incremental vouchers for non-elderly  
9 disabled families, guidance to ensure that, to the  
10 maximum extent possible, such vouchers continue to  
11 be provided upon turnover to qualified persons with  
12 disabilities or to qualified non-elderly disabled fami-  
13 lies, respectively.”.

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

15 (a) PROJECT RENTAL ASSISTANCE CONTRACTS.—

16 Section 811 is amended—

17 (1) in subsection (d)(2)—

18 (A) by inserting “(A) INITIAL PROJECT  
19 RENTAL ASSISTANCE CONTRACT.—” after  
20 “PROJECT RENTAL ASSISTANCE.—”

21 (B) in the first sentence, by inserting after  
22 “shall” the following: “comply with subsection  
23 (e)(2) and shall”;

24 (C) by striking “annual contract amount”  
25 each place such term appears and inserting

1 “amount provided under the contract for each  
2 year covered by the contract”; and

3 (D) by adding at the end the following new  
4 subparagraph:

5 “(B) RENEWAL OF AND INCREASES IN CON-  
6 TRACT AMOUNTS.—

7 “(i) EXPIRATION OF CONTRACT TERM.—

8 Upon the expiration of each contract term, sub-  
9 ject to the availability of amounts made avail-  
10 able in appropriation Acts, the Secretary shall  
11 adjust the annual contract amount to provide  
12 for reasonable project costs, and any increases,  
13 including adequate reserves, supportive services,  
14 and service coordinators, except that any con-  
15 tract amounts not used by a project during a  
16 contract term shall not be available for such ad-  
17 justments upon renewal.

18 “(ii) EMERGENCY SITUATIONS.—In the  
19 event of emergency situations that are outside  
20 the control of the owner, the Secretary shall in-  
21 crease the annual contract amount, subject to  
22 reasonable review and limitations as the Sec-  
23 retary shall provide and to the availability of  
24 amounts made available in appropriation  
25 Acts.”.

1 (2) in subsection (e)(2)—

2 (A) in the first sentence, by inserting be-  
3 fore the period at the end the following: “, ex-  
4 cept that, in the case of the sponsor of a project  
5 assisted with any low-income housing tax credit  
6 pursuant to section 42 of the Internal Revenue  
7 Code of 1986 or with any tax-exempt housing  
8 bonds, the contract shall have an initial term of  
9 not be less than 360 months and shall provide  
10 funding for a term of 60 months”; and

11 (B) by striking “extend any expiring con-  
12 tract” and insert “upon expiration of a contract  
13 (or any renewed contract), renew such con-  
14 tract”.

15 (b) PROGRAM REQUIREMENTS.—Section 811 is  
16 amended—

17 (1) in subsection (e)—

18 (A) by striking the subsection heading and  
19 inserting the following: “PROGRAM REQUIRE-  
20 MENTS”;

21 (B) by striking paragraph (1) and insert-  
22 ing the following new paragraph:

23 “(1) USE RESTRICTIONS.—

24 “(A) TERM.—Any project for which a cap-  
25 ital advance is provided under subsection (d)(1)

1 shall be operated for not less than 40 years as  
2 supportive housing for persons with disabilities,  
3 in accordance with the application for the  
4 project approved by the Secretary and shall,  
5 during such period, be made available for occu-  
6 pancy only by very low-income persons with dis-  
7 abilities.

8 “(B) CONVERSION.—If the owner of a  
9 project requests the use of the project for the  
10 direct benefit of very low-income persons with  
11 disabilities and, pursuant to such request the  
12 Secretary determines that a project is no longer  
13 needed for use as supportive housing for per-  
14 sons with disabilities, the Secretary may ap-  
15 prove the request and authorize the owner to  
16 convert the project to such use.”; and

17 (C) by adding at the end the following new  
18 paragraphs:

19 “(3) LIMITATION ON USE OF FUNDS.—No as-  
20 sistance received under this section (or any State or  
21 local government funds used to supplement such as-  
22 sistance) may be used to replace other State or local  
23 funds previously used, or designated for use, to as-  
24 sist persons with disabilities.

25 “(4) MULTIFAMILY PROJECTS.—

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

15          “(B) EXCEPTION.—Subparagraph (A)  
16          shall not apply in the case of any project that  
17          is a group home or independent living facility.”;  
18          and

19          (2) in subsection (l), by striking paragraph (4).

20          (c) DELEGATED PROCESSING.—Subsection (g) of  
21          section 811 (42 U.S.C. 8013(g)) is amended—

22          (1) by striking “SELECTION CRITERIA.—” and  
23          inserting “SELECTION CRITERIA AND PROC-  
24          ESSING.—(1) SELECTION CRITERIA.—”;

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

4           (3) by adding at the end the following new  
5           paragraph:

6           “(2) DELEGATED PROCESSING.—

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

17                 “(i) is in geographic proximity to the prop-  
18                 erty;

19                 “(ii) has demonstrated experience in and  
20                 capacity for underwriting multifamily housing  
21                 loans that provide housing and supportive serv-  
22                 ices;

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

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

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

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

21          “(D) Under such delegated system, the Sec-  
22          retary shall retain the authority to approve rents  
23          and development costs and to execute a capital ad-  
24          vance within 60 days of receipt of the commitment  
25          from the State or local agency. The Secretary shall

1 provide to such agency and the project sponsor, in  
2 writing, the reasons for any reduction in capital ad-  
3 vance amounts or project rental assistance and such  
4 reductions shall be subject to appeal.”.

5 (d) LEVERAGING OTHER RESOURCES.—Paragraph  
6 (1) of section 811(g) (as so designated by subsection  
7 (c)(1) of this section) is amended by inserting after sub-  
8 paragraph (E) (as so redesignated by subsection (c)(2) of  
9 this section) the following new subparagraph:

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

14 (e) TENANT PROTECTIONS AND ELIGIBILITY FOR  
15 OCCUPANCY.—Section 811 is amended by striking sub-  
16 section (i) and inserting the following new subsection:

17 “(i) ADMISSION AND OCCUPANCY.—

18 “(1) TENANT SELECTION.—

19 “(A) PROCEDURES.—An owner shall adopt  
20 written tenant selection procedures that are sat-  
21 isfactory to the Secretary as (i) consistent with  
22 the purpose of improving housing opportunities  
23 for very low-income persons with disabilities;  
24 and (ii) reasonably related to program eligibility  
25 and an applicant’s ability to perform the obliga-

1           tions of the lease. Owners shall promptly notify  
2           in writing any rejected applicant of the grounds  
3           for any rejection.

4           “(B) REQUIREMENT FOR OCCUPANCY.—  
5           Occupancy in dwelling units provided assistance  
6           under this section shall be available only to per-  
7           sons with disabilities and households that in-  
8           clude at least one person with a disability.

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

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

23          “(2) TENANT PROTECTIONS.—

24                 “(A) LEASE.—The lease between a tenant  
25                 and an owner of housing assisted under this

1 section shall be for not less than one year, and  
2 shall contain such terms and conditions as the  
3 Secretary shall determine to be appropriate.

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

8 “(i) for serious or repeated violation  
9 of the terms and conditions of the lease,  
10 for violation of applicable Federal, State,  
11 or local law, or for other good cause; and

12 “(ii) by providing the tenant, not less  
13 than 30 days before such termination or  
14 refusal to renew, with written notice speci-  
15 fying the grounds for such action.

16 “(C) VOLUNTARY PARTICIPATION IN SERV-  
17 ICES.—A supportive service plan for housing  
18 assisted under this section shall permit each  
19 resident to take responsibility for choosing and  
20 acquiring their own services, to receive any sup-  
21 portive services made available directly or indi-  
22 rectly by the owner of such housing, or to not  
23 receive any supportive services.”.

24 (f) DEVELOPMENT COST LIMITATIONS.—Subsection  
25 (h) of section 811 is amended—

1 (1) in paragraph (1)—

2 (A) by striking the paragraph heading and  
3 inserting “GROUP HOMES”;

4 (B) in the first sentence, by striking “var-  
5 ious types and sizes” and inserting “group  
6 homes”;

7 (C) by striking subparagraph (E); and

8 (D) by redesignating subparagraphs (F)  
9 and (G) as subparagraphs (E) and (F), respec-  
10 tively;

11 (2) in paragraph (3), by inserting “established  
12 pursuant to paragraph (1)” after “cost limitation”;  
13 and

14 (3) by adding at the end the following new  
15 paragraph:

16 “(6) APPLICABILITY OF HOME PROGRAM COST  
17 LIMITATIONS.—

18 “(A) IN GENERAL.—The provisions of sec-  
19 tion 212(e) of the Cranston-Gonzalez National  
20 Affordable Housing Act (42 U.S.C. 12742(e))  
21 and the cost limits established by the Secretary  
22 pursuant to such section with respect to the  
23 amount of funds under subtitle A of title II of  
24 such Act that may be invested on a per unit  
25 basis, shall apply to supportive housing assisted

1 with a capital advance under subsection (d)(1)  
2 and the amount of funds under such subsection  
3 that may be invested on a per unit basis.

4 “(B) WAIVERS.—The Secretary shall pro-  
5 vide for waiver of the cost limits applicable pur-  
6 suant to subparagraph (A)—

7 “(i) in the cases in which the cost lim-  
8 its established pursuant to section 212(e)  
9 of the Cranston-Gonzalez National Afford-  
10 able Housing Act may be waived; and

11 “(ii) to provide for—

12 “(I) the cost of special design  
13 features to make the housing acces-  
14 sible to persons with disabilities;

15 “(II) the cost of special design  
16 features necessary to make individual  
17 dwelling units meet the special needs  
18 of persons with disabilities; and

19 “(III) the cost of providing the  
20 housing in a location that is accessible  
21 to public transportation and commu-  
22 nity organizations that provide sup-  
23 portive services to persons with dis-  
24 abilities.”.

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

3 (1) in paragraph (1), by striking the second  
4 sentence; and

5 (2) in paragraph (4), by striking “(or such  
6 higher number of persons” and all that follows  
7 through “subsection (h)(6))”.

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

13 “(1) MINIMUM ALLOCATION FOR MULTIFAMILY  
14 PROJECTS.—The Secretary shall establish a min-  
15 imum percentage of the amount made available for  
16 each fiscal year for capital advances under sub-  
17 section (d)(1) that shall be used for multifamily  
18 projects subject to subsection (e)(4).”.

19 **SEC. 4. PROJECT RENTAL ASSISTANCE COMPETITIVE DEM-**  
20 **ONSTRATION PROGRAM.**

21 Section 811, as amended by the preceding provisions  
22 of this Act, is further amended—

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

1           (2) by inserting after subsection (j) the fol-  
2           lowing new subsection:

3           “(k) PROJECT RENTAL ASSISTANCE-ONLY COMPETI-  
4           TIVE DEMONSTRATION PROGRAM.—

5           “(1) AUTHORITY.—The Secretary shall carry  
6           out a demonstration program under this subsection  
7           to expand the supply of supportive housing for non-  
8           elderly adults with disabilities, under which the Sec-  
9           retary shall make funds available for project rental  
10          assistance pursuant to paragraph (2) for eligible  
11          projects under paragraph (3). The Secretary shall  
12          provide for State housing finance agencies and other  
13          appropriate entities to apply to the Secretary for  
14          such project rental assistance funds, which shall be  
15          made available by such agencies and entities for  
16          dwelling units in eligible projects based upon criteria  
17          established by the Secretary for the demonstration  
18          program under this subsection.

19          “(2) PROJECT RENTAL ASSISTANCE.—

20                 “(A) CONTRACT TERMS.—Project rental  
21                 assistance under the demonstration program  
22                 under this subsection shall be provided—

23                         “(i) in accordance with subsection  
24                         (d)(2);

1           “(ii) under a contract having an ini-  
2           tial term of not less than 180 months that  
3           provides funding for a term 60 months,  
4           which funding shall be renewed upon expi-  
5           ration, subject to the availability of suffi-  
6           cient amounts in appropriation Acts.

7           “(B) LIMITATION ON UNITS ASSISTED.—  
8           Of the total number of dwelling units in any  
9           multifamily housing project containing any unit  
10          for which project rental assistance under the  
11          demonstration program under this subsection is  
12          provided, the aggregate number that are pro-  
13          vided such project rental assistance, that are  
14          used for supportive housing for persons with  
15          disabilities, or to which any occupancy pref-  
16          erence for persons with disabilities applies, may  
17          not exceed 25 percent of such total.

18          “(C) PROHIBITION OF CAPITAL AD-  
19          VANCES.—The Secretary may not provide a  
20          capital advance under subsection (d)(1) for any  
21          project for which assistance is provided under  
22          the demonstration program.

23          “(D) ELIGIBLE POPULATION.—Project  
24          rental assistance under the demonstration pro-  
25          gram under this subsection may be provided

1           only for dwelling units for extremely low-income  
2           persons with disabilities and extremely low-in-  
3           come households that include at least one per-  
4           son with a disability.

5           “(3) ELIGIBLE PROJECTS.—An eligible project  
6           under this paragraph is a new or existing multi-  
7           family housing project for which—

8                   “(A) the development costs are paid with  
9                   resources from other public or private sources;  
10                  and

11                  “(B) a commitment has been made—

12                          “(i) by the applicable State agency re-  
13                          sponsible for allocation of low-income hous-  
14                          ing tax credits under section 42 of the In-  
15                          ternal Revenue Code of 1986, for an allo-  
16                          cation of such credits;

17                          “(ii) by the applicable participating  
18                          jurisdiction that receives assistance under  
19                          the HOME Investment Partnership Act,  
20                          for assistance from such jurisdiction; or

21                          “(iii) by any Federal agency or any  
22                          State or local government, for funding for  
23                          the project from funds from any other  
24                          sources.

1           “(4) STATE AGENCY INVOLVEMENT.—Assist-  
2           ance under the demonstration may be provided only  
3           for projects for which the applicable State agency re-  
4           sponsible for health and human services programs,  
5           and the applicable State agency designated to ad-  
6           minister or supervise the administration of the State  
7           plan for medical assistance under title XIX of the  
8           Social Security Act, have entered into such agree-  
9           ments as the Secretary considers appropriate—

10                   “(A) to identify the target populations to  
11                   be served by the project;

12                   “(B) to set forth methods for outreach and  
13                   referral; and

14                   “(C) to make available appropriate services  
15                   for tenants of the project.

16           “(5) USE REQUIREMENTS.—In the case of any  
17           project for which project rental assistance is pro-  
18           vided under the demonstration program under this  
19           subsection, the dwelling units assisted pursuant to  
20           paragraph (2) shall be operated for not less than 30  
21           years as supportive housing for persons with disabili-  
22           ties, in accordance with the application for the  
23           project approved by the Secretary, and such dwelling  
24           units shall, during such period, be made available for

1 occupancy only by persons and households described  
2 in paragraph (2)(D).

3 “(6) REPORT.—Upon the expiration of the 5-  
4 year period beginning on the date of the enactment  
5 of the Frank Melville Supportive Housing Invest-  
6 ment Act of 2008, the Secretary shall submit to the  
7 Congress a report describing the demonstration pro-  
8 gram under this subsection, analyzing the effective-  
9 ness of the program, including the effectiveness of  
10 the program compared to the program for capital  
11 advances in accordance with subsection (d)(1) (as in  
12 effect pursuant to the amendments made by such  
13 Act), and making recommendations regarding future  
14 models for assistance under this section based upon  
15 the experiences under the program.”.

16 **SEC. 5. TECHNICAL CORRECTIONS.**

17 Section 811 is amended—

18 (1) in subsection (a)—

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

21 (B) in paragraph (2)—

22 (i) by striking “provides” and insert-  
23 ing “makes available”; and

24 (ii) by striking the period at the end  
25 and inserting “; and” ; and

1 (C) by adding at the end the following new  
2 paragraph:

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

6 (2) in subsection (c)—

7 (A) in paragraph (1), by striking “special”  
8 and inserting “housing and community-based  
9 services”; and

10 (B) in paragraph (2)—

11 (i) by striking subparagraph (A) and  
12 inserting the following:

13 “(A) make available voluntary supportive  
14 services that address the individual needs of  
15 persons with disabilities occupying such hous-  
16 ing;”; and

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

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

23 (4) in subsection (f)—

24 (A) in paragraph (3)—

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

3 (ii) by striking subparagraph (C) and  
4 inserting the following:

5 “(C) evidence of the applicant’s experience  
6 in—

7 “(i) providing such supportive serv-  
8 ices; or

9 “(ii) creating and managing struc-  
10 tured partnerships with service providers  
11 for the delivery of appropriate community-  
12 based services;”;

13 (iii) in subparagraph (D), by striking  
14 “such persons” and all that follows  
15 through “provision of such services” and  
16 inserting “tenants”; and

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

19 (B) in paragraph (4), by striking “special”  
20 and inserting “housing and community-based  
21 services”;

22 (5) in subsection (g), in paragraph (1) (as so  
23 redesignated by section 3(c)(1) of this Act)—

24 (A) in subparagraph (D) (as so redesign-  
25 ated by section 3(c)(2) of this Act), by strik-

1 ing “the necessary supportive services will be  
2 provided” and inserting “appropriate supportive  
3 services will be made available”; and

4 (B) by striking subparagraph (E) (as so  
5 redesignated by section 3(c)(2) of this Act) and  
6 inserting the following:

7 “(E) the extent to which the location and de-  
8 sign of the proposed project will facilitate the provi-  
9 sion of community-based supportive services and ad-  
10 dress other basic needs of persons with disabilities,  
11 including access to appropriate and accessible trans-  
12 portation, access to community services agencies,  
13 public facilities, and shopping;”;

14 (6) in subsection (j)—

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

16 (B) by redesignating paragraphs (5), (6),  
17 and (7) as paragraphs (4), (5), and (6), respec-  
18 tively;

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

21 (A) in paragraph (1), by inserting before  
22 the period at the end of the first sentence the  
23 following: “, which provides a separate bedroom  
24 for each tenant of the residence”;

1 (B) by striking paragraph (2) and insert-  
2 ing the following:

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

6 “(i) has a disability as defined in section  
7 223 of the Social Security Act,

8 “(ii) is determined, pursuant to regulations  
9 issued by the Secretary, to have a physical,  
10 mental, or emotional impairment which—

11 “(I) is expected to be of long-contin-  
12 ued and indefinite duration;

13 “(II) substantially impedes his or her  
14 ability to live independently; and

15 “(III) is of such a nature that such  
16 ability could be improved by more suitable  
17 housing conditions; or

18 “(iii) has a developmental disability as de-  
19 fined in section 102 of the Developmental Dis-  
20 abilities Assistance and Bill of Rights Act of  
21 2000.

22 “(B) Such term shall not exclude persons who  
23 have the disease of acquired immunodeficiency syn-  
24 drome or any conditions arising from the etiologic  
25 agent for acquired immunodeficiency syndrome. Not-

1 withstanding any other provision of law, no indi-  
2 vidual shall be considered a person with disabilities,  
3 for purposes of eligibility for low-income housing  
4 under this title, solely on the basis of any drug or  
5 alcohol dependence. The Secretary shall consult with  
6 other appropriate Federal agencies to implement the  
7 preceding sentence.

8 “(C) The Secretary shall prescribe such regula-  
9 tions as may be necessary to prevent abuses in de-  
10 termining, under the definitions contained in this  
11 paragraph, the eligibility of families and persons for  
12 admission to and occupancy of housing assisted  
13 under this section. Notwithstanding the preceding  
14 provisions of this paragraph, the term ‘person with  
15 disabilities’ includes two or more persons with dis-  
16 abilities living together, one or more such persons  
17 living with another person who is determined (under  
18 regulations prescribed by the Secretary) to be impor-  
19 tant to their care or well-being, and the surviving  
20 member or members of any household described in  
21 subparagraph (A) who were living, in a unit assisted  
22 under this section, with the deceased member of the  
23 household at the time of his or her death.”;

24 (C) by striking paragraph (3) and insert-  
25 ing the following new paragraph:

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

3           “(A) are designed to meet the permanent  
4 housing needs of very low-income persons with  
5 disabilities; and

6           “(B) are located in housing that make  
7 available supportive services that address the  
8 individual health, mental health, or other needs  
9 of such persons.”;

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

12          (E) in paragraph (6)—

13           (i) by inserting after and below sub-  
14 paragraph (D) the matter to be inserted by  
15 the amendment made by section 841 of the  
16 American Homeownership and Economic  
17 Opportunity Act of 2000 (Public Law  
18 106–569; 114 Stat. 3022); and

19           (ii) in the matter inserted by the  
20 amendment made by subparagraph (A) of  
21 this paragraph, by striking “wholly owned  
22 and”; and

23          (8) in subsection (m) (as so redesignated by  
24 section 4(1) of this Act)—

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

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

7 **SEC. 6. AUTHORIZATION OF APPROPRIATIONS.**

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

10 “(n) AUTHORIZATION OF APPROPRIATIONS.—There  
11 is authorized to be appropriated for each of fiscal years  
12 2008 through 2012 the following amounts:

13 “(1) CAPITAL ADVANCE/PRAC PROGRAM.—For  
14 providing assistance pursuant to subsection (b), such  
15 sums as may be necessary.

16 “(2) DEMONSTRATION PROGRAM.—For car-  
17 rying out the demonstration program under sub-  
18 section (k), such sums as may be necessary to pro-  
19 vide 2,500 incremental dwelling units under such  
20 program in each of fiscal years 2008 and 2009 and  
21 5,000 incremental dwelling units under such pro-  
22 gram in each of fiscal years 2010, 2011, and  
23 2012.”.

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

2       Not later than the expiration of the 180-day period  
3 beginning on the date of the enactment of this Act, the  
4 Secretary of Housing and Urban Development shall issue  
5 new regulations and guidance for the program under sec-  
6 tion 811 of the Cranston-Gonzalez National Affordable  
7 Housing Act for supportive housing for persons with dis-  
8 abilities to carry out such program in accordance with the  
9 amendments made by this Act.

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