

[DISCUSSION DRAFT]

111TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To reform the housing choice voucher program under section 8 of the United States Housing Act of 1937.

IN THE HOUSE OF REPRESENTATIVES

MS. WATERS introduced the following bill; which was referred to the Committee on \_\_\_\_\_

**A BILL**

To reform the housing choice voucher program under section 8 of the United States Housing Act of 1937.

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

3 **SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the  
5 “Section 8 Voucher Reform Act of 2009”.

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

- Sec. 1. Short title and table of contents.
- Sec. 2. Inspection of dwelling units.
- Sec. 3. Rent reform and income reviews.
- Sec. 4. Eligibility for assistance based on assets and income.

- Sec. 5. Targeting assistance to low-income working families.
- Sec. 6. Voucher renewal funding.
- Sec. 7. Administrative fees.
- Sec. 8. Homeownership.
- Sec. 9. PHA reporting of rent payments to credit reporting agencies.
- Sec. 10. Performance assessments.
- Sec. 11. PHA project-based assistance.
- Sec. 12. Rent burdens.
- Sec. 13. Establishment of fair market rent.
- Sec. 14. Screening of applicants.
- Sec. 15. Enhanced vouchers.
- Sec. 16. Demonstration program waiver authority.
- Sec. 17. Access to HUD programs for persons with limited English proficiency.
- Sec. 18. Authorization of appropriations.
- Sec. 19. Agency authority for utility payments in certain circumstances.
- Sec. 20. Project-based preservation vouchers.
- Sec. 21. Effect of foreclosure on section 8 tenancies.
- Sec. 22. Study to identify obstacles to using vouchers in federally subsidized housing projects.
- Sec. 23. Effective date.

1 **SEC. 2. INSPECTION OF DWELLING UNITS.**

2 Section 8(o)(8) of the United States Housing Act of  
3 1937 (42 U.S.C. 1437f(o)(8)) is amended—

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

6 “(A) INITIAL INSPECTION.—

7 “(i) IN GENERAL.—For each dwelling  
8 unit for which a housing assistance pay-  
9 ment contract is established under this  
10 subsection, the public housing agency (or  
11 other entity pursuant to paragraph (11))  
12 shall inspect the unit before any assistance  
13 payment is made to determine whether the  
14 dwelling unit meets the housing quality  
15 standards under subparagraph (B), except

1 as provided in clause (ii) or (iii) of this  
2 subparagraph.

3 “(ii) CORRECTION OF NON-LIFE  
4 THREATENING CONDITIONS.—In the case  
5 of any dwelling unit that is determined,  
6 pursuant to an inspection under clause (i),  
7 not to meet the housing quality standards  
8 under subparagraph (B), assistance pay-  
9 ments may be made for the unit notwith-  
10 standing subparagraph (C) if failure to  
11 meet such standards is a result only of  
12 non-life threatening conditions. A public  
13 housing agency making assistance pay-  
14 ments pursuant to this clause for a dwell-  
15 ing unit shall, 30 days after the beginning  
16 of the period for which such payments are  
17 made, suspend any assistance payments  
18 for the unit if any deficiency resulting in  
19 noncompliance with the housing quality  
20 standards has not been corrected by such  
21 time, and may not resume such payments  
22 until each such deficiency has been cor-  
23 rected.

24 “(iii) USE OF ALTERNATIVE INSPEC-  
25 TION METHOD FOR INTERIM PERIOD.—In

1 the case of any property that within the  
2 previous 12 months has met the require-  
3 ments of an inspection that qualifies as an  
4 alternative inspection method pursuant to  
5 subparagraph (E), a public housing agency  
6 may authorize occupancy before the inspec-  
7 tion under clause (i) has been completed,  
8 and may make assistance payments retro-  
9 active to the beginning of the lease term  
10 after the unit has been determined pursu-  
11 ant to an inspection under clause (i) to  
12 meet the housing quality standards under  
13 subparagraph (B).”;

14 (2) by redesignating subparagraph (E) as sub-  
15 paragraph (H); and

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

18 “(D) BIENNIAL INSPECTIONS.—

19 “(i) REQUIREMENT.—Each public  
20 housing agency providing assistance under  
21 this subsection (or other entity, as pro-  
22 vided in paragraph (11)) shall, for each as-  
23 sisted dwelling unit, make inspections not  
24 less often than biennially during the term  
25 of the housing assistance payments con-

1 tract for the unit to determine whether the  
2 unit is maintained in accordance with the  
3 requirements under subparagraph (A).

4 “(ii) USE OF ALTERNATIVE INSPEC-  
5 TION METHOD.—The requirement under  
6 clause (i) may be complied with by use of  
7 inspections that qualify as an alternative  
8 inspection method pursuant to subpara-  
9 graph (E).

10 “(iii) RECORDS.— The agency (or  
11 other entity) shall retain the records of the  
12 inspection for a reasonable time and shall  
13 make the records available upon request to  
14 the Secretary, the Inspector General for  
15 the Department of Housing and Urban  
16 Development, and any auditor conducting  
17 an audit under section 5(h).

18 “(E) ALTERNATIVE INSPECTION METH-  
19 OD.—An inspection of a property shall qualify  
20 as an alternative inspection method for pur-  
21 poses of this subparagraph if—

22 “(i) the inspection was conducted pur-  
23 suant to requirements under a Federal,  
24 State, or local housing assistance program  
25 (including the HOME investment partner-

1                   ships program under title II of the Cran-  
2                   ston-Gonzalez National Affordable Housing  
3                   Act (42 U.S.C. 12721 et seq.) and the low-  
4                   income housing tax credit program under  
5                   section 42 of the Internal Revenue Code of  
6                   1986); and

7                   “(ii) pursuant to such inspection, the  
8                   property was determined to meet the  
9                   standards or requirements regarding hous-  
10                  ing quality or safety applicable to units as-  
11                  sisted under such program, and, if a non-  
12                  Federal standard was used, the public  
13                  housing agency has certified to the Sec-  
14                  retary that such standards or requirements  
15                  provide the same protection to occupants  
16                  of dwelling units meeting such standards  
17                  or requirements as, or greater protection  
18                  than, the housing quality standards under  
19                  subparagraph (B).

20                  “(F) INTERIM INSPECTIONS.—Upon notifi-  
21                  cation to the public housing agency, by a family  
22                  on whose behalf tenant-based rental assistance  
23                  is provided under this subsection or by a gov-  
24                  ernment official, that the dwelling unit for  
25                  which such assistance is provided does not com-

1           ply with the housing quality standards under  
2           subparagraph (B), the agency shall inspect the  
3           dwelling unit—

4                   “(i) in the case of any condition that  
5                   is life-threatening, within 24 hours after  
6                   receipt of such notice; and

7                   “(ii) in the case of any condition that  
8                   is not life-threatening, within 15 days after  
9                   receipt of such notice.

10                   “(G) ENFORCEMENT OF HOUSING QUALITY  
11                   STANDARDS.—

12                           “(i) DETERMINATION OF NONCOMPLI-  
13                           ANCE.—A dwelling unit that is covered by  
14                           a housing assistance payments contract  
15                           under this subsection shall be considered,  
16                           for purposes of subparagraphs (D) and  
17                           (F), to be in noncompliance with the hous-  
18                           ing quality standards under subparagraph  
19                           (B) if—

20                                   “(I) the public housing agency or  
21                                   an inspector authorized by the State  
22                                   or unit of local government deter-  
23                                   mines upon inspection of the unit that  
24                                   the unit fails to comply with such  
25                                   standards;

1                   “(II) the agency or inspector no-  
2                   tifies the owner of the unit in writing  
3                   of such failure to comply; and

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

6                   “(aa) in the case of any  
7                   such failure that is a result of  
8                   life-threatening conditions, within  
9                   24 hours after such notice has  
10                  been provided; and

11                  “(bb) in the case of any  
12                  such failure that is a result of  
13                  non-life threatening conditions,  
14                  within 30 days after such notice  
15                  has been provided or such other  
16                  reasonable longer period as the  
17                  public housing agency may estab-  
18                  lish.

19                  “(ii) WITHHOLDING OF ASSISTANCE  
20                  AMOUNTS DURING CORRECTION.—The  
21                  public housing agency may withhold assist-  
22                  ance amounts under this subsection with  
23                  respect to a dwelling unit that does not  
24                  comply with housing quality standards  
25                  under subparagraph (B) as determined



1           pursuant to an inspection conducted under  
2           subparagraph (D) or (F). If the unit is  
3           brought into compliance with such housing  
4           quality standards during the periods re-  
5           ferred to in clause (i)(III), the public hous-  
6           ing agency shall recommence assistance  
7           payments and may use any amounts with-  
8           held during the correction period to make  
9           assistance payments relating to the period  
10          during which payments were withheld.

11           “(iii) ABATEMENT OF ASSISTANCE  
12          AMOUNTS.—The public housing agency  
13          shall abate all of the assistance amounts  
14          under this subsection with respect to a  
15          dwelling unit that is determined, pursuant  
16          to subparagraph (G)(i), to be in non-  
17          compliance with housing quality standards  
18          under subparagraph (B). Upon completion  
19          of repairs by the public housing agency or  
20          the owner sufficient so that the dwelling  
21          unit complies with such housing quality  
22          standards, the agency shall recommence  
23          payments under the housing assistance  
24          payments contract to the owner of the  
25          dwelling unit.

1                   “(iv) USE OF ABATED ASSISTANCE TO  
2                   PAY FOR REPAIRS.—

3                   “(I) AUTHORITY.—The public  
4                   housing agency may use such amounts  
5                   abated to make repairs to the dwelling  
6                   unit or to contract to have repairs  
7                   made, except that a contract to make  
8                   repairs may not be entered into with  
9                   the inspector for the dwelling unit re-  
10                  ferred to in clause (i)(I).

11                  “(II) ABATED FUNDS.—For pur-  
12                  poses of this clause, abated amounts  
13                  may include an amounts withheld dur-  
14                  ing the correction period described in  
15                  clause (ii) of this subparagraph with  
16                  respect to a dwelling unit that is sub-  
17                  sequently determined under clause (i)  
18                  to be in noncompliance with housing  
19                  quality standards.

20                  “(III) LIMITATION OF LIABILITY  
21                  OF PUBLIC HOUSING AGENCIES.—A  
22                  public housing agency that uses its  
23                  authority under this clause shall not,  
24                  if the agency accomplishes the work  
25                  through a contractor that is licensed,

1 bonded, and insured in amounts and  
2 with coverage as required by the Sec-  
3 retary, be liable for any injury or  
4 damages that may result to persons or  
5 to any property owned by the tenant  
6 or owner.

7 “(v) NOTIFICATION.—If a public  
8 housing agency providing assistance under  
9 this subsection abates rental assistance  
10 payments pursuant to clause (iii) with re-  
11 spect to a dwelling unit, the agency shall,  
12 upon commencement of such abatement—

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

15 “(aa) such abatement has  
16 commenced; and

17 “(bb) if the dwelling unit is  
18 not brought into compliance with  
19 housing quality standards within  
20 60 days after the effective date of  
21 the determination of noncompli-  
22 ance under clause (i) or such rea-  
23 sonable longer period as the  
24 agency may establish, the tenant  
25 will have to move; and

1                   “(II) issue the tenant the nec-  
2                   essary forms to allow the tenant to  
3                   move to another dwelling unit and  
4                   transfer the rental assistance to that  
5                   unit.

6                   “(vi) PROTECTION OF TENANTS.—An  
7                   owner of a dwelling unit may not terminate  
8                   the tenancy of any tenant because of the  
9                   withholding or abatement of assistance  
10                  pursuant to this subparagraph. During the  
11                  period that assistance is abated pursuant  
12                  to this subparagraph, the tenant may ter-  
13                  minate the tenancy by notifying the owner.

14                  “(vii) TERMINATION OF LEASE OR AS-  
15                  SISTANCE PAYMENTS CONTRACT.—If as-  
16                  sistance amounts under this section for a  
17                  dwelling unit are abated pursuant to clause  
18                  (iii) and the owner does not correct the  
19                  noncompliance within 60 days after the ef-  
20                  fective date of the determination of non-  
21                  compliance under clause (i), or such other  
22                  reasonable longer period as the public  
23                  housing agency may establish, and the  
24                  agency does not use its authority under  
25                  clause (iv), the agency shall terminate the

1 housing assistance payments contract for  
2 the dwelling unit.

3 “(viii) RELOCATION.—

4 “(I) AUTHORITY TO REMAIN IN  
5 UNIT.—If the public housing agency  
6 terminates the housing assistance pay-  
7 ments contract for a dwelling unit  
8 pursuant to clause (vii), the lease for  
9 any family residing in that unit shall  
10 terminate and the family may remain  
11 in the unit as an unassisted family.

12 “(II) LEASE OF NEW UNIT.—  
13 The agency shall provide the family  
14 residing in such a dwelling unit a pe-  
15 riod of 90 days, beginning upon ter-  
16 mination of the contract, to lease a  
17 new residence with tenant-based rent-  
18 al assistance under this section.

19 “(III) INABILITY TO LEASE NEW  
20 UNIT.— If the family is unable to  
21 lease such a new residence during  
22 such period, the public housing agency  
23 shall extend the period during which  
24 the family may lease a new residence  
25 to be assisted with such assistance or,

1 at the option of the family, provide  
2 such family a preference for occu-  
3 pancy in a dwelling unit of public  
4 housing owned or operated by the  
5 agency that first becomes available for  
6 occupancy after the expiration of such  
7 period.

8 “(IV) ASSISTANCE IN FINDING  
9 UNIT.—The public housing agency  
10 shall provide reasonable assistance to  
11 the family in finding a new residence,  
12 including use of two months of any  
13 assistance amounts abated pursuant  
14 to clause (iii) for costs associated with  
15 relocation of the family to a new resi-  
16 dence, which may include moving ex-  
17 penses and security deposits. The  
18 agency may require that a family re-  
19 ceiving assistance for a security de-  
20 posit shall remit, to the extent of such  
21 assistance, the amount of any security  
22 deposit refunds made by the owner of  
23 the dwelling unit for which the lease  
24 was terminated.

1           “(ix) TENANT-CAUSED DAMAGES.—If  
2           a public housing agency determines that  
3           any damage to a dwelling unit that results  
4           in a failure of the dwelling unit to comply  
5           with housing quality standards under sub-  
6           paragraph (B), other than any damage re-  
7           sulting from ordinary use, was caused by  
8           the tenant, any member of the tenant’s  
9           household, or any guest or other person  
10          under the tenant’s control, the agency may  
11          waive the applicability of this subpara-  
12          graph, except that this clause shall not ex-  
13          onerate a tenant from any liability other-  
14          wise existing under applicable law for dam-  
15          ages to the premises caused by such ten-  
16          ant.

17          “(x) APPLICABILITY.—This subpara-  
18          graph shall apply to any dwelling unit for  
19          which a housing assistance payments con-  
20          tract is entered into or renewed after the  
21          date of the effectiveness of the regulations  
22          implementing this subparagraph.”.

1 **SEC. 3. RENT REFORM AND INCOME REVIEWS.**

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

5 (1) in subsection (a)—

6 (A) in paragraph (1) by inserting “LOW-  
7 INCOME OCCUPANCY REQUIREMENT AND RENT-  
8 AL PAYMENTS.—” after “(1)”;

9 (B) in paragraph (1)—

10 (i) by striking “paragraph (2)” and  
11 inserting “paragraphs (2) and (3)”;

12 (ii) by striking “paragraph (3)” and  
13 inserting “paragraph (4)”;

14 (C) in paragraph (2)(A)(i), by striking  
15 “paragraph (3)” and inserting “paragraph  
16 (4)”;

17 (D) by redesignating paragraphs (4) and  
18 (5) as paragraphs (5) and (6), respectively;

19 (E) by inserting after paragraph (2) the  
20 following new paragraph:

21 “(3) PHA AUTHORITY TO ESTABLISH ALTER-  
22 NATIVE RENTS.—

23 “(A) RENT FLEXIBILITY FOR PUBLIC  
24 HOUSING.—Subject to the requirements under  
25 subparagraph (B), a public housing agency may  
26 establish for public housing—



1                   “(i) a tenant rent structure in  
2                   which—

3                   “(I) the public housing agency  
4                   establishes, based on the rental value  
5                   of the unit, as determined by the pub-  
6                   lic housing agency, a ceiling rent for  
7                   each dwelling unit that it owns and  
8                   operates; and

9                   “(II) such ceiling rent is adjusted  
10                  periodically on the basis of an infla-  
11                  tion index or a recalculation of the  
12                  rental value of the unit (which may be  
13                  recalculated by unit or by building);

14                  “(ii) an income-tiered tenant rent  
15                  structure in which the amount of rent a  
16                  family shall pay is set and distributed on  
17                  the basis of broad tiers of income and such  
18                  tiers and rents are adjusted on the basis of  
19                  an annual cost index except that families  
20                  shall not be offered a rent lower than the  
21                  rent corresponding to their income tier; or

22                  “(iii) a tenant rent structure in which  
23                  the amount of rent a family shall pay is  
24                  based on a percentage of family income,  
25                  except that lower percentages may apply

1           only with respect to earned income; such a  
2           rent structure may provide for an amount  
3           of rent based on a calculation of earned in-  
4           come that provides for disregard of a high-  
5           er percentage or higher dollar amount, or  
6           both, than provided for in paragraph  
7           (8)(B).

8           “(B) LIMITATION.—Notwithstanding the  
9           authority provided under subparagraph (A), the  
10          amount paid for rent (including the amount al-  
11          lowed for tenant-paid utilities) by any family  
12          for a dwelling unit in public housing may not  
13          exceed the amount determined under subsection  
14          (a)(1) of this section. The Secretary shall issue  
15          regulations and establish procedures for public  
16          housing agency calculations and documentation  
17          as are necessary to ensure compliance with this  
18          subparagraph.

19          “(C) ELDERLY FAMILIES AND DISABLED  
20          FAMILIES.—Notwithstanding any other provi-  
21          sion of this Act, this paragraph shall not apply  
22          to elderly families and disabled families.”; and

23          (F) by adding at the end the following new  
24          paragraphs:

25          “(7) REVIEWS OF FAMILY INCOME.—

1           “(A) FREQUENCY.—Reviews of family in-  
2           come for purposes of this section shall be  
3           made—

4                   “(i) in the case of all families, upon  
5                   the initial provision of housing assistance  
6                   for the family;

7                   “(ii) annually thereafter, except as  
8                   provided in subparagraph (B)(i);

9                   “(iii) upon the request of the family,  
10                  at any time the income or deductions  
11                  (under subsection (b)(5)) of the family  
12                  change by an amount that is estimated to  
13                  result in a decrease of \$1,200 (or such  
14                  lower amount as the public housing agency  
15                  or owner may, at the option of the agency  
16                  or owner, establish) or more in annual ad-  
17                  justed income; and

18                  “(iv) at any time the income or deduc-  
19                  tions (under subsection (b)(5)) of the fam-  
20                  ily change by an amount that is estimated  
21                  to result in an increase of \$1,200 or more  
22                  in annual adjusted income, except that any  
23                  increase in the earned income of a family  
24                  shall not be considered for purposes of this  
25                  clause (except that earned income may be

1 considered if the increase corresponds to  
2 previous decreases under clause (iii)), ex-  
3 cept that a public housing agency or owner  
4 may elect not to conduct such review in the  
5 last three months of a certification period.

6 “(B) FIXED-INCOME FAMILIES.—

7 “(i) SELF CERTIFICATION AND 3-YEAR  
8 REVIEW.—In the case of any family de-  
9 scribed in clause (ii), after the initial re-  
10 view of the family’s income pursuant to  
11 subparagraph (A)(i), the public housing  
12 agency or owner shall not be required to  
13 conduct a review of the family’s income  
14 pursuant to subparagraph (A)(ii) for any  
15 year for which such family certifies, in ac-  
16 cordance with such requirements as the  
17 Secretary shall establish, that the income  
18 of the family meets the requirements of  
19 clause (ii) of this subparagraph and that  
20 the sources of such income have not  
21 changed since the previous year, except  
22 that the public housing agency or owner  
23 shall conduct a review of each such fam-  
24 ily’s income not less than once every 3  
25 years.

1           “(ii) ELIGIBLE FAMILIES.—A family  
2 described in this clause is a family who has  
3 an income, as of the most recent review  
4 pursuant to subparagraph (A) or clause (i)  
5 of this subparagraph, of which 90 percent  
6 or more consists of fixed income, as such  
7 term is defined in clause (iii).

8           “(iii) FIXED INCOME.—For purposes  
9 of this subparagraph, the term ‘fixed in-  
10 come’ includes income from—

11           “(I) the supplemental security in-  
12 come program under title XVI of the  
13 Social Security Act, including supple-  
14 mentary payments pursuant to an  
15 agreement for Federal administration  
16 under section 1616(a) of the Social  
17 Security Act and payments pursuant  
18 to an agreement entered into under  
19 section 212(b) of Public Law 93–66;

20           “(II) Social Security payments;

21           “(III) Federal, State, local and  
22 private pension plans; and

23           “(IV) other periodic payments re-  
24 ceived from annuities, insurance poli-  
25 cies, retirement funds, disability or

1 death benefits, and other similar types  
2 of periodic receipts that are of sub-  
3 stantially the same amounts from year  
4 to year.

5 “(C) IN GENERAL.—Reviews of family in-  
6 come for purposes of this section shall be sub-  
7 ject to the provisions of section 904 of the  
8 Stewart B. McKinney Homeless Assistance  
9 Amendments Act of 1988.

10 “(8) CALCULATION OF INCOME.—

11 “(A) USE OF CURRENT YEAR INCOME.—In  
12 determining family income for initial occupancy  
13 or provision of housing assistance pursuant to  
14 clause (i) of paragraph (7)(A) or pursuant to  
15 reviews pursuant to clause (iii) or (iv) of such  
16 paragraph, a public housing agency or owner  
17 shall use the income of the family as estimated  
18 by the agency or owner for the upcoming year.

19 “(B) USE OF PRIOR YEAR INCOME.—In  
20 determining family income for annual reviews  
21 pursuant to paragraph (7)(A)(ii), a public hous-  
22 ing agency or owner shall, except as otherwise  
23 provided in this paragraph, use the income of  
24 the family as determined by the agency or  
25 owner for the preceding year, taking into con-

1           sideration any redetermination of income during  
2           such prior year pursuant to clause (iii) or (iv)  
3           of paragraph (7)(A).

4           “(C) INFLATIONARY ADJUSTMENT FOR  
5           FIXED INCOME FAMILIES.—

6           “(i) IN GENERAL.—In any year in  
7           which a public housing agency or owner  
8           does not conduct a review of income for  
9           any family described in clause (ii) of para-  
10          graph (7)(B) pursuant to the authority  
11          under clause (i) of such paragraph to  
12          waive such a review, such family’s prior  
13          year’s income determination shall, subject  
14          to clauses (ii) and (iii), be adjusted by ap-  
15          plying an inflationary factor as the Sec-  
16          retary shall, by regulation, establish.

17          “(ii) EXEMPTION FROM ADJUST-  
18          MENT.—A public housing agency or owner  
19          may exempt from an adjustment pursuant  
20          to clause (i) any income source for which  
21          income does not increase from year to  
22          year.

23          “(iii) APPLICABILITY OF INFLA-  
24          TIONARY FACTOR.—The inflationary factor  
25          adjustment referred to in clause (i) shall

1 not be made with respect to the first year  
2 after the year in which housing is occupied  
3 or housing assistance is initially provided  
4 for a family.

5 “(D) OTHER INCOME.—If, for any year, a  
6 public housing agency or owner determines the  
7 income for any family based on the prior year’s  
8 income, with respect to prior year calculations  
9 of types of income not subject to subparagraph  
10 (B), a public housing agency or owner may  
11 make other adjustments as it considers appro-  
12 priate to reflect current income.

13 “(E) SAFE HARBOR.—A public housing  
14 agency or owner may, to the extent such infor-  
15 mation is available to the public housing agency  
16 or owner, determine the family’s income prior  
17 to the application of any deductions based on  
18 timely income determinations made for pur-  
19 poses of other means-tested Federal public as-  
20 sistance programs (including the program for  
21 block grants to States for temporary assistance  
22 for needy families under part A of title IV of  
23 the Social Security Act, a program for medicaid  
24 assistance under a State plan approved under  
25 title XIX of the Social Security Act, and the



1 food stamp program as defined in section 3(h)  
2 of the Food Stamp Act of 1977). The Secretary  
3 shall, in consultation with other appropriate  
4 Federal agencies, develop procedures to enable  
5 public housing agencies and owners to have ac-  
6 cess to such income determinations made by  
7 other Federal programs. Exchanges of such in-  
8 formation shall be subject to the same limita-  
9 tions and tenant protections provided under  
10 section 904 of the Stewart B. McKinney Home-  
11 less Assistance Act Amendments of 1988 (42  
12 U.S.C. 3544) with respect to information ob-  
13 tained under the requirements of section 303(i)  
14 of the Social Security Act (42 U.S.C. 503(i)).

15 “(F) PHA AND OWNER COMPLIANCE.—A  
16 public housing agency or owner may not be con-  
17 sidered to fail to comply with this paragraph or  
18 paragraph (7) due solely to any de minimus er-  
19 rors made by the agency or owner in calculating  
20 family incomes.”;

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

22 (3) by redesignating subsection (f) as sub-  
23 section (d).

24 (b) INCOME.—Section 3(b) of the United States  
25 Housing Act of 1937 (42 U.S.C. 1437a(b)) is amended—

1           (1) by striking paragraph (4) and inserting the  
2 following new paragraph:

3           “(4) INCOME.—The term ‘income’ means, with  
4 respect to a family, income received from all sources  
5 by each member of the household who is 18 years  
6 of age or older or is the head of household or spouse  
7 of the head of the household, plus unearned income  
8 by or on behalf of each dependent who is less than  
9 18 years of age, as determined in accordance with  
10 criteria prescribed by the Secretary, in consultation  
11 with the Secretary of Agriculture, subject to the fol-  
12 lowing requirements:

13           “(A) INCLUDED AMOUNTS.—Such term in-  
14 cludes recurring gifts and receipts, actual in-  
15 come from assets, and profit or loss from a  
16 business.

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

19                   “(i) any imputed return on assets;

20                   “(ii) any amounts that would be eligi-  
21 ble for exclusion under section 1613(a)(7)  
22 of the Social Security Act (42 U.S.C.  
23 1382b(a)(7)); and

24                   “(iii) deferred disability benefits from  
25 the Department of Veterans Affairs that

1 are received in a lump sum amount or in  
2 prospective monthly amounts.

3 “(C) EARNED INCOME OF STUDENTS.—

4 Such term does not include earned income of  
5 any dependent earned during any period that  
6 such dependent is attending school on a full-  
7 time basis or any grant-in-aid or scholarship  
8 amounts related to such attendance used for  
9 the cost of tuition or books.

10 “(D) EDUCATIONAL SAVINGS ACCOUNTS.—

11 Income shall be determined without regard to  
12 any amounts in or from, or any benefits from,  
13 any Coverdell education savings account under  
14 section 530 of the Internal Revenue Code of  
15 1986 or any qualified tuition program under  
16 section 529 of such Code.

17 “(E) OTHER EXCLUSIONS.—Such term

18 shall not include other exclusions from income  
19 as are established by the Secretary or any  
20 amount required by Federal law to be excluded  
21 from consideration as income. The Secretary  
22 may not require a public housing agency or  
23 owner to maintain records of any amounts ex-  
24 cluded from income pursuant to this subpara-  
25 graph.”; and

1           (2) by striking paragraph (5) and inserting the  
2 following new paragraph:

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

9           “(A) EARNED INCOME DISREGARD.—An  
10 amount equal to 10 percent of the lesser of—

11           “(i) the family’s earned income; or

12           “(ii) \$9,000, except that such amount  
13 shall be adjusted annually by applying to  
14 such amount (as it may have been pre-  
15 viously adjusted) an inflationary factor as  
16 the Secretary shall, by regulation, establish  
17 and except that for purposes of adjusted  
18 income determinations each year such  
19 amount shall be established by rounding  
20 the amount calculated down to the next  
21 lowest multiple of \$1,000.

22           The deduction under this subparagraph shall  
23 not be considered in determining adjusted in-  
24 come for the purposes of section 16 (relating to  
25 eligibility for assisted housing and income mix).

1           “(B) ELDERLY AND DISABLED FAMI-  
2 LIES.—\$725 in the case of any family that is  
3 an elderly family or a disabled family.

4           “(C) DEPENDENTS.—In the case of any  
5 family that includes a member or members  
6 who—

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

10           “(ii) is a person with disabilities who  
11 is 18 years of age or older and resides in  
12 the household,

13 \$500 for each such member.

14           “(D) CHILD CARE.—The amount, if any,  
15 that exceeds 10 percent of annual family in-  
16 come that is used to pay for unreimbursed child  
17 care expenses, which shall include child care for  
18 preschool-age children, for before- and after-  
19 care for children in school, and for other child  
20 care necessary to enable a member of the family  
21 to be employed or further his or her education.

22           “(E) HEALTH AND MEDICAL EXPENSES.—  
23 The amount, if any, by which 10 percent of an-  
24 nual family income is exceeded by the sum of—

1                   “(i) in the case of any elderly or dis-  
2                   abled family, any unreimbursed health and  
3                   medical care expenses; and

4                   “(ii) any unreimbursed reasonable at-  
5                   tendant care and auxiliary apparatus ex-  
6                   penses for each handicapped member of  
7                   the family, to the extent necessary to en-  
8                   able any member of such family to be em-  
9                   ployed.

10                  “(F) PERMISSIVE DEDUCTIONS.—Such ad-  
11                  ditional deductions as a public housing agency  
12                  may, at its discretion, establish, except that the  
13                  Secretary shall establish procedures to ensure  
14                  that such deductions do not materially increase  
15                  Federal expenditures.

16                  The Secretary shall annually calculate the amounts  
17                  of the deductions under subparagraphs (B) and (C),  
18                  as such amounts may have been previously cal-  
19                  culated, by applying an inflationary factor as the  
20                  Secretary shall, by regulation, establish, except that  
21                  the actual deduction determined for each year shall  
22                  be established by rounding such amount to the next  
23                  lowest multiple of \$25.”.

1 (c) HOUSING CHOICE VOUCHER PROGRAM.—Para-  
2 graph (5) of section 8(o) of the United States Housing  
3 Act of 1937 (42 U.S.C. 1437f(o)(5)) is amended—

4 (1) in the paragraph heading, by striking “AN-  
5 NUAL REVIEW” and inserting “REVIEWS”;

6 (2) in subparagraph (A)—

7 (A) by striking “the provisions of” and in-  
8 serting “paragraphs (7) and (8) of section 3(a)  
9 and to”; and

10 (B) by striking “and shall be conducted  
11 upon the initial provision of housing assistance  
12 for the family and thereafter not less than an-  
13 nually”; and

14 (3) in subparagraph (B), by striking the second  
15 sentence.

16 (d) ENHANCED VOUCHER PROGRAM.—Section  
17 8(t)(1)(D) of the United States Housing Act of 1937 (42  
18 U.S.C. 1437f(t)(1)(D)) is amended by striking “income”  
19 each place such term appears and inserting “annual ad-  
20 justed income”.

21 (e) PROJECT-BASED HOUSING.—Paragraph (3) of  
22 section 8(c) of the United States Housing Act of 1937  
23 (42 U.S.C. 1437f(c)(3)) is amended by striking the last  
24 sentence.

25 (f) IMPACT ON PUBLIC HOUSING REVENUES.—

1           (1) INTERACTION WITH ASSET MANAGEMENT  
2           RULE.—If the Secretary of Housing and Urban De-  
3           velopment determines that the application of the  
4           amendments made by this section results in a mate-  
5           rial reduction in the rental income of public housing  
6           agencies during the period that the operating for-  
7           mula income is frozen at a level that does not fully  
8           reflect the changes made by such amendments, the  
9           Secretary shall make appropriate adjustments in the  
10          formula income of those agencies experiencing such  
11          a reduction.

12          (2) HUD REPORTS ON PUBLIC HOUSING REV-  
13          ENUE IMPACT.—In each of the first two years after  
14          the first year in which the amendments made by this  
15          section are implemented, the Secretary of Housing  
16          and Urban Development shall submit a report to  
17          Congress identifying and calculating the impact of  
18          changes made by the amendments made by this sec-  
19          tion on the revenues and costs of operating public  
20          housing units. If such report identifies a material re-  
21          duction in the net income of public housing agencies  
22          nationwide, the Secretary may include in such report  
23          recommendations for legislative changes to reduce or  
24          eliminate such a reduction.



1 (g) EFFECTIVE DATE.—The amendments made by  
2 this section shall take effect during the first calendar year  
3 after regulations or notice has been adopted to implement  
4 such amendments, except that the Secretary may delay  
5 such effective date by one year upon a determination that  
6 such delay is necessary for public housing agencies and  
7 owners to make the necessary changes to comply with such  
8 amendments.

9 **SEC. 4. ELIGIBILITY FOR ASSISTANCE BASED ON ASSETS**  
10 **AND INCOME.**

11 (a) ASSETS.—Section 16 of the United States Hous-  
12 ing Act of 1937 (42 U.S.C. 1437n) is amended by insert-  
13 ing after subsection (d) the following new subsection:

14 “(e) ELIGIBILITY FOR ASSISTANCE BASED ON AS-  
15 SETS.—

16 “(1) LIMITATION ON ASSETS.—Subject to para-  
17 graph (3) and notwithstanding any other provision  
18 of this Act, a dwelling unit assisted under this Act  
19 may not be rented and assistance under this Act  
20 may not be provided, either initially or at each recer-  
21 tification of family income, to any family—

22 “(A) whose net family assets exceed  
23 \$100,000, as such amount is adjusted annually  
24 by applying an inflationary factor as the Sec-  
25 retary considers appropriate; or

1           “(B) who has a present ownership interest  
2           in, and a legal right to reside in, real property  
3           that is suitable for occupancy as a residence,  
4           except that the prohibition under this subpara-  
5           graph shall not apply to—

6                   “(i) any property for which the family  
7                   is receiving assistance under this Act;

8                   “(ii) any person that is a victim of do-  
9                   mestic violence; or

10                   “(iii) any family that is making a  
11                   good faith effort to sell such property.

12           “(2) NET FAMILY ASSETS.—

13                   “(A) IN GENERAL.—For purposes of this  
14                   subsection, the term ‘net family assets’ means,  
15                   for all members of the household, the net cash  
16                   value of all assets after deducting reasonable  
17                   costs that would be incurred in disposing of real  
18                   property, savings, stocks, bonds, and other  
19                   forms of capital investment. Such term does not  
20                   include interests in Indian trust land, equity ac-  
21                   counts in homeownership programs of the De-  
22                   partment of Housing and Urban Development,  
23                   or Family Self Sufficiency accounts.

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

1 “(i) the value of personal property, ex-  
2 cept for items of personal property of sig-  
3 nificant value, as the public housing agen-  
4 cy or the Secretary may determine;

5 “(ii) the value of any retirement ac-  
6 count;

7 “(iii) real property for which the fam-  
8 ily does not have the effective legal author-  
9 ity necessary to sell such property;

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

16 “(v) the value of any Coverdell edu-  
17 cation savings account under section 530  
18 of the Internal Revenue Code of 1986 or  
19 any qualified tuition program under sec-  
20 tion 529 of such Code; and

21 “(vi) such other exclusions as the Sec-  
22 retary may establish.

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

1 member of the family or household, the value of  
2 the trust fund shall not be considered an asset  
3 of a family if the fund continues to be held in  
4 trust. Any income distributed from the trust  
5 fund shall be considered income for purposes of  
6 section 3(b) and any calculations of annual  
7 family income, except in the case of medical ex-  
8 penses for a minor.

9 “(D) SELF-CERTIFICATION.—A public  
10 housing agency or owner may determine the net  
11 assets of a family, for purposes of this section,  
12 based on the amounts reported by the family at  
13 the time the agency or owner reviews the fam-  
14 ily’s income.

15 “(3) COMPLIANCE FOR PUBLIC HOUSING  
16 DWELLING UNITS.—When recertifying family income  
17 with respect to families residing in public housing  
18 dwelling units, a public housing agency may, in the  
19 discretion of the agency and only pursuant to a pol-  
20 icy that is set forth in the public housing agency  
21 plan under section 5A for the agency, choose not to  
22 enforce the limitation under paragraph (1).

23 “(4) ELDERLY AND DISABLED FAMILIES.—  
24 When recertifying the income of an elderly or dis-  
25 abled family residing in a dwelling unit assisted

1 under this Act, a public housing agency or owner  
2 may choose not to enforce the limitation under para-  
3 graph (1) or may establish exceptions to such limita-  
4 tion based on eligibility criteria, but only pursuant  
5 to a policy that is set forth in the public housing  
6 agency plan under section 5A for the agency or  
7 under a policy adopted by the owner. Eligibility cri-  
8 teria for establishing exceptions may provide for sep-  
9 arate treatment for elderly and disabled families and  
10 may be based on different factors, such as age, in-  
11 come, the ability of the family to find suitable alter-  
12 native housing, and whether supportive services are  
13 being provided.

14 “(5) AUTHORITY TO DELAY EVICTIONS.—In the  
15 case of a family residing in a dwelling unit assisted  
16 under this Act who does not comply with the limita-  
17 tion under paragraph (1), the public housing agency  
18 or project owner may delay eviction or termination  
19 of the family based on such noncompliance for a pe-  
20 riod of not more than 6 months.”

21 (b) INCOME.—The United States Housing Act of  
22 1937 is amended—

23 (1) in section 3(a)(1) (42 U.S.C. 1437a(a)(1)),  
24 by striking the first sentence and inserting the fol-  
25 lowing: “Dwelling units assisted under this Act may

1 be rented, and assistance under this Act may be pro-  
2 vided, whether initially or at time of recertification,  
3 only to families who are low-income families at the  
4 time such initial or continued assistance, respec-  
5 tively, is provided, except that families residing in  
6 dwelling units as of the date of the enactment of the  
7 Section 8 Voucher Reform Act of 2009 that, under  
8 agreements in effect on such date of enactment, may  
9 have incomes up to 95 percent of local area median  
10 income shall continue to be eligible for assistance at  
11 recertification as long as they continue to comply  
12 with such income restrictions. When recertifying  
13 family income with respect to families residing in  
14 public housing dwelling units, a public housing agen-  
15 cy may, in the discretion of the agency and only pur-  
16 suant to a policy that is set forth in the public hous-  
17 ing agency plan under section 5A for the agency,  
18 choose not to enforce the prohibition under the pre-  
19 ceding sentence. When recertifying family income  
20 with respect to families residing in dwelling units for  
21 which project-based assistance is provided, a project  
22 owner may, in the owner's discretion and only pur-  
23 suant to a policy adopted by such owner, choose not  
24 to enforce such prohibition. In the case of a family  
25 residing in a dwelling unit assisted under this Act

1 who does not meet the requirements under the first  
2 sentence of this paragraph or the requirements  
3 under section 8(o)(4), the public housing agency or  
4 project owner may delay eviction or termination of  
5 the family based on such noncompliance for a period  
6 of not more than 6 months.”;

7 (2) in section 8(o)(4) (42 U.S.C. 1437f(o)(4)),  
8 by striking the matter preceding subparagraph (A)  
9 and inserting the following:

10 “(4) ELIGIBLE FAMILIES.—Assistance under  
11 this subsection may be provided, whether initially or  
12 at each recertification, only pursuant to subsection  
13 (t) to a family eligible for assistance under such sub-  
14 section or to a family who at the time of such initial  
15 or continued assistance, respectively, is a low-income  
16 family that is—”; and

17 (3) in section 8(c)(4) (42 U.S.C. 1437f(c)(4)),  
18 by striking “at the time it initially occupied such  
19 dwelling unit” and inserting “according to the re-  
20 strictions under section 3(a)(1)”.

21 **SEC. 5. TARGETING ASSISTANCE TO LOW-INCOME WORK-**  
22 **ING FAMILIES.**

23 (a) VOUCHERS.—Section 16(b)(1) of the United  
24 States Housing Act of 1937 (42 U.S.C. 1437n(b)(1)) is  
25 amended—

1 (1) by inserting after “do not exceed” the fol-  
2 lowing: “the higher of (A) the poverty line (as such  
3 term is defined in section 673 of the Omnibus Budg-  
4 et Reconciliation Act of 1981 (42 U.S.C. 9902), in-  
5 cluding any revision required by such section) appli-  
6 cable to a family of the size involved, or (B)”;

7 (2) by inserting before the period at the end the  
8 following: “; and except that clause (A) of this sen-  
9 tence shall not apply in the case of public housing  
10 agencies located in Puerto Rico or any other terri-  
11 tory or possession of the United States”.

12 (b) PUBLIC HOUSING.—Section 16(a)(2)(A) of the  
13 United States Housing Act of 1937 (42 U.S.C.  
14 1437n(a)(2)(A)) is amended—

15 (1) by inserting after “do not exceed” the fol-  
16 lowing: “the higher of (i) the poverty line (as such  
17 term is defined in section 673 of the Omnibus Budg-  
18 et Reconciliation Act of 1981 (42 U.S.C. 9902), in-  
19 cluding any revision required by such section) appli-  
20 cable to a family of the size involved, or (ii)”;

21 (2) by inserting before the period at the end the  
22 following: “; and except that clause (i) of this sen-  
23 tence shall not apply in the case of public housing  
24 agencies located in Puerto Rico or any other terri-  
25 tory or possession of the United States”.



1 (c) PROJECT-BASED SECTION 8 ASSISTANCE.—Sec-  
2 tion 16(e)(3) of the United States Housing Act of 1937  
3 (42 U.S.C. 1437n(c)(3)) is amended—

4 (1) by inserting after “do not exceed” the fol-  
5 lowing: “the higher of (A) the poverty line (as such  
6 term is defined in section 673 of the Omnibus Budg-  
7 et Reconciliation Act of 1981 (42 U.S.C. 9902), in-  
8 cluding any revision required by such section) appli-  
9 cable to a family of the size involved, or (B)”;

10 (2) by inserting before the period at the end the  
11 following: “; and except that clause (A) of this sen-  
12 tence shall not apply in the case of public housing  
13 agencies located in Puerto Rico or any other terri-  
14 tory or possession of the United States”.

15 **SEC. 6. VOUCHER RENEWAL FUNDING.**

16 (a) IN GENERAL.—Section 8 of the United States  
17 Housing Act of 1937 (42 U.S.C. 1437f) is amended by  
18 striking subsection (dd) and inserting the following new  
19 subsection:

20 “(dd) TENANT-BASED VOUCHERS.—

21 “(1) AUTHORIZATION OF APPROPRIATIONS.—  
22 There are authorized to be appropriated, for each of  
23 fiscal years 2010 through 2014, such sums as may  
24 be necessary for tenant-based assistance under sub-  
25 section (o) for the following purposes:

1           “(A) To renew all expiring annual con-  
2 tributions contracts for tenant-based rental as-  
3 sistance.

4           “(B) To provide tenant-based rental assist-  
5 ance for—

6           “(i) conversion of section 23 projects  
7 to assistance under this section;

8           “(ii) the family unification program  
9 under subsection (x) of this section;

10           “(iii) relocation of witnesses in con-  
11 nection with efforts to combat crime in  
12 public and assisted housing pursuant to a  
13 request from a law enforcement or pros-  
14 ecution agency;

15           “(iv) enhanced vouchers authorized  
16 under subsection (t) of this section;

17           “(v) relocation or replacement in con-  
18 nection with the HOPE VI program under  
19 section 24;

20           “(vi) demolition or disposition of pub-  
21 lic housing units pursuant to section 18 of  
22 the United States Housing Act of 1937  
23 (42 U.S.C. 1437p);

24           “(vii) mandatory conversions of public  
25 housing to vouchers, pursuant to section

1 33 of the United States Housing Act of  
2 1937, respectively (42 U.S.C. 1437z-5);

3 “(viii) voluntary conversions of public  
4 housing to vouchers, pursuant to section  
5 22 of the United States Housing Act of  
6 1937, respectively (42 U.S.C. 1437t)

7 “(ix) vouchers necessary to comply  
8 with a consent decree or court order;

9 “(x) tenant protection vouchers in  
10 connection with dwelling units that cease  
11 to receive project-based assistance under  
12 subsection (b), (c), (d), (e), or (v) of this  
13 section;

14 “(xi) relocation and replacement  
15 vouchers in connection with public housing  
16 units that are demolished or disposed of  
17 pursuant to eminent domain, pursuant to a  
18 homeownership program, or in connection  
19 with a mixed finance development method  
20 under section 35 or otherwise;

21 “(xii) vouchers used for the preserva-  
22 tion of public housing developed from  
23 sources other than section 9 of the United  
24 States Housing Act of 1937 (42 U.S.C.  
25 1437g);

1                   “(xiii) emergency voucher assistance  
2                   for the protection of victims of domestic vi-  
3                   olence, dating violence, sexual assault, or  
4                   stalking;

5                   “(xiv) tenant protection vouchers in  
6                   connection with the foreclosure or disposi-  
7                   tion of multifamily housing subject to a  
8                   mortgage insured and subsidized under the  
9                   National Housing Act; and

10                   “(xv) tenant protection assistance, in-  
11                   cluding replacement and relocation assist-  
12                   ance.

13                   Subject only to the availability of sufficient  
14                   amounts provided in appropriation Acts, the  
15                   Secretary shall provide tenant-based rental as-  
16                   sistance in connection with all dwelling units  
17                   that cease to be available as assisted housing as  
18                   a result of clauses (i), (iv), (v), (vi), (vii), (x),  
19                   (xi), and (xiv).

20                   “(2) ALLOCATION OF RENEWAL FUNDING  
21                   AMONG PUBLIC HOUSING AGENCIES.—

22                   “(A) From amounts appropriated for each  
23                   year pursuant to paragraph (1)(A), the Sec-  
24                   retary shall provide renewal funding for each  
25                   public housing agency—

1           “(i) based on leasing and cost data  
2           from the preceding calendar year, as ad-  
3           justed by an annual adjustment factor to  
4           be established by the Secretary, which shall  
5           be established using the smallest geo-  
6           graphical areas for which data on changes  
7           in rental costs are annually available;

8           “(ii) by making any adjustments nec-  
9           essary to provide for the first-time renewal  
10          of vouchers funded under paragraph  
11          (1)(B) and of any incremental vouchers  
12          funded in previous years;

13          “(iii) by making any adjustments nec-  
14          essary for full year funding of vouchers  
15          moved into and out of the jurisdiction of  
16          the public housing agency in the prior cal-  
17          endar year pursuant to portability proce-  
18          dures under subsection (r)(2); and

19          “(iv) by making such other adjust-  
20          ments as the Secretary considers appro-  
21          priate, including adjustments necessary to  
22          address changes in voucher utilization  
23          rates and voucher costs related to natural  
24          and other major disasters.

1           “(B) LEASING AND COST DATA.—For pur-  
2           poses of subparagraph (A)(i), leasing and cost  
3           data shall be calculated annually by using the  
4           average for the preceding calendar year. Such  
5           leasing and cost data shall be adjusted to in-  
6           clude vouchers that were set aside under a com-  
7           mitment to provide project-based assistance  
8           under subsection (o)(13) and to exclude  
9           amounts funded through advances under para-  
10          graph (3). Such leasing and cost data shall not  
11          include funds not appropriated for tenant-based  
12          assistance under section 8(o), unless the agen-  
13          cy’s funding was prorated in the prior year and  
14          the agency used other funds to maintain vouch-  
15          ers in use.

16          “(C) OVERLEASING.—For the purpose of  
17          determining allocations under subsection (A)(i),  
18          the leasing rate calculated for the prior cal-  
19          endar year may exceed an agency’s authorized  
20          voucher level, except that such calculation shall  
21          not utilize a leasing rate in excess of 103 per-  
22          cent of the leasing rate in the year preceding  
23          such prior year (after making appropriate ad-  
24          justments for incremental and new enhanced  
25          vouchers) which results from the use of accu-

1           mulated amounts, as referred to in the last sen-  
2           tence of paragraph (4)(A).

3                   “(D) MOVING TO WORK; HOUSING INNOVA-  
4           TION PROGRAM.—Notwithstanding subpara-  
5           graphs (A) and (B), each public housing agency  
6           participating in any year in the moving to work  
7           demonstration under section 204 of the Depart-  
8           ments of Veterans Affairs and Housing and  
9           Urban Development, and Independent Agencies  
10          Appropriations Act, 1996 (42 U.S.C. 1437f  
11          note) or in the housing innovation program  
12          under section 36 of this Act shall be funded  
13          pursuant to its agreement under such program  
14          and shall be subject to any pro rata adjustment  
15          made under subparagraph (E)(i).

16                   “(E) PRO RATA ALLOCATION.—

17                           “(i) INSUFFICIENT FUNDS.—To the  
18                           extent that amounts made available for a  
19                           fiscal year are not sufficient to provide  
20                           each public housing agency with the full al-  
21                           location for the agency determined pursu-  
22                           ant to subparagraphs (A) and (D), the  
23                           Secretary shall reduce such allocation for  
24                           each agency on a pro rata basis, except  
25                           that renewal funding of enhanced vouchers

1 under section 8(t) shall not be subject to  
2 such proration.

3 “(ii) EXCESS FUNDS.—To the extent  
4 that amounts made available for a fiscal  
5 year exceed the amount necessary to pro-  
6 vide each housing agency with the full allo-  
7 cation for the agency determined pursuant  
8 to subparagraphs (A) and (D), such excess  
9 amounts shall be used for the purposes  
10 specified in paragraph (4)(B).

11 “(F) PROMPT FUNDING ALLOCATION.—  
12 The Secretary shall allocate all funds under this  
13 subsection for each year before the latter of (i)  
14 February 15, or (ii) the expiration of the 45-  
15 day period beginning upon the enactment of the  
16 appropriations Act funding such renewals.

17 “(3) ADVANCES.—

18 “(A) AUTHORITY.—During the last 3  
19 months of each calendar year, the Secretary  
20 shall provide amounts out of any appropriations  
21 made pursuant to paragraph (1) for the fiscal  
22 year beginning on October 1 of that calendar  
23 year to any public housing agency, at the re-  
24 quest of the agency, in an amount up to two



1 percent of the allocation for the agency for such  
2 calendar year, subject to subparagraph (C).

3 “(B) USE.—Amounts advanced under sub-  
4 paragraph (A) may be used to pay for addi-  
5 tional voucher costs, including costs related to  
6 temporary overleasing.

7 “(C) USE OF PRIOR YEAR AMOUNTS.—  
8 During the last 3 months of a calendar year, if  
9 amounts previously provided to a public housing  
10 agency for tenant-based assistance for such  
11 year or for previous years remain unobligated  
12 and available to the agency—

13 “(i) the agency shall exhaust such  
14 amounts to cover any additional voucher  
15 costs under subparagraph (B) before  
16 amounts advanced under subparagraph (A)  
17 may be so used; and

18 “(ii) the amount that may be ad-  
19 vanced under subparagraph (A) to the  
20 agency shall be reduced by an amount  
21 equal to the total of such previously pro-  
22 vided and unobligated amounts.

23 “(D) REPAYMENT.—Amounts advanced  
24 under subparagraph (A) in a calendar year  
25 shall be repaid to the Secretary in the subse-

1           quent calendar year by offsetting the amounts  
2           made available for such agency for such subse-  
3           quent calendar year pursuant to allocation  
4           under paragraph (2) by an amount equal to the  
5           amount so advanced to the agency.

6           “(4) OFFSET.—

7                   “(A) IN GENERAL.—The Secretary shall  
8           offset, from amounts provided under the annual  
9           contributions contract for a public housing  
10          agency for a calendar year, all accumulated  
11          amounts allocated under paragraph (2) and  
12          from previous years that are unused by the  
13          agency at the end of each calendar year, except  
14          for an amount not less than 5 percent of such  
15          amount allocated to the agency for such year.  
16          Notwithstanding any other provision of law,  
17          each public housing agency may retain all  
18          amounts not offset under this subparagraph,  
19          and may use such amounts for all authorized  
20          purposes.

21                   “(B) REALLOCATION.—Not later than  
22          April 1 of each calendar year, the Secretary  
23          shall, from amounts available pursuant to para-  
24          graph (2)(E) and from any other available  
25          amounts appropriated for such purpose—

1           “(i) set aside and subsequently make  
2 available such amounts as the Secretary  
3 considers likely to be needed to reimburse  
4 public housing agencies for increased costs  
5 related to portability and family self-suffi-  
6 ciency activities during such year; and

7           “(ii) reallocate all remaining amounts  
8 among public housing agencies, with pri-  
9 ority given based on the extent to which an  
10 agency has utilized the amount allocated  
11 under paragraph (2) for the agency to  
12 serve eligible families and the relative need  
13 for additional voucher assistance for use  
14 only to increase voucher leasing rates.”.

15       (b) PORTABILITY.—The Secretary of Housing and  
16 Urban Development shall, not later than the expiration  
17 of the 6-month period beginning on the date of the enact-  
18 ment of this Act, issue a proposed rule for comment to  
19 modify the regulations governing the responsibilities of  
20 public housing agencies in cases in which families assisted  
21 with tenant-based assistance under section 8 of the United  
22 States Housing Act of 1937 exercise their right to move  
23 to a different jurisdiction under the Secretary’s regula-  
24 tions regarding portability procedures (24 C.F.R.  
25 982.355), to eliminate, or minimize to the greatest extent

1 feasible consistent with available funding, billing between  
2 agencies and administrative barriers to families' choices  
3 of where to reside, without undermining the ability of pub-  
4 lic housing agencies to serve their waiting lists. The Sec-  
5 retary shall finalize regulations modifying such portability  
6 procedures in accordance with this subsection not later  
7 than the expiration of the 12-month period beginning  
8 upon the date of the enactment of this Act.

9 (c) **VOUCHERS FOR PERSONS WITH DISABILITIES.**—  
10 The Secretary of Housing and Urban Development shall  
11 develop and issue, to public housing agencies that have  
12 received voucher assistance under section 8(o) for non-el-  
13 derly disabled families pursuant to appropriations Acts for  
14 fiscal year 1997 and fiscal years thereafter, guidance to  
15 ensure that, to the maximum extent practicable, such  
16 vouchers continue to be provided upon turnover to quali-  
17 fied non-elderly disabled families.

18 **SEC. 7. ADMINISTRATIVE FEES.**

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

21 (1) in paragraph (1), by striking subparagraphs  
22 (B) and (C) and inserting the following new sub-  
23 paragraphs:

24 “(B) **CALCULATION.**—The fee under this  
25 subsection shall—

1           “(i) be payable to each public housing  
2 agency for each month for which a dwell-  
3 ing unit is covered by an assistance con-  
4 tract;

5           “(ii) be based on a per-unit fee, which  
6 shall be based on the per-unit fee payable  
7 to the agency in fiscal year 2003 and up-  
8 dated for each subsequent year as specified  
9 in subsection (iv), or on such formula  
10 which the Secretary may, by regulation, es-  
11 tablish using a per-unit fee structure which  
12 shall provide for the payment of the full  
13 cost of administering vouchers, and which  
14 may include performance incentives con-  
15 sistent with subsection (o)(21);

16           “(iii) include an amount for the cost  
17 of issuing voucher to new participants;

18           “(iv) be updated each year using an  
19 index of changes in wage data or other ob-  
20 jectively measurable data that reflect the  
21 costs of administering the program for  
22 such assistance, as determined by the Sec-  
23 retary; and

1                   “(v) include an amount for the cost of  
2                   family self-sufficiency coordinators, as pro-  
3                   vided in section 23(h)(1).

4                   “(C) PUBLICATION.—The Secretary shall  
5                   cause to be published in the Federal Register  
6                   the fee rate for each geographic area.”; and  
7                   (2) in paragraph (4), by striking “1999” and  
8                   inserting “2010”.

9                   (b) ADMINISTRATIVE FEES FOR FAMILY SELF-SUF-  
10                  FICIENCY PROGRAM COSTS.—Subsection (h) of section 23  
11                  of the United States Housing Act of 1937 (42 U.S.C.  
12                  1437u(h)) is amended by striking paragraph (1) and in-  
13                  serting the following new paragraph:

14                  “(1) SECTION 8 FEES.—

15                         “(A) IN GENERAL.—The Secretary shall  
16                         establish a fee under section 8(q) for the costs  
17                         incurred in administering the self-sufficiency  
18                         program under this section to assist families re-  
19                         ceiving voucher assistance through section 8(o).

20                         “(B) ELIGIBILITY FOR FEE.—The fee shall  
21                         provide funding for family self-sufficiency coor-  
22                         dinators as follows:

23                                 “(i) BASE FEE.—A public housing  
24                                 agency serving 25 or more participants in  
25                                 the family self-sufficiency program under

1 this section shall receive a fee equal to the  
2 costs of employing one full-time family  
3 self-sufficiency coordinator. An agency  
4 serving fewer than 25 such participants  
5 shall receive a prorated fee.

6 “(ii) ADDITIONAL FEE.—An agency  
7 that meets minimum performance stand-  
8 ards shall receive an additional fee suffi-  
9 cient to cover the costs of employing a sec-  
10 ond family self-sufficiency coordinator if  
11 the agency has 75 or more participating  
12 families, and a third such coordinator if it  
13 has 125 or more participating families.

14 “(iii) PREVIOUSLY FUNDED AGEN-  
15 CIES.—An agency that received funding  
16 from the Department of Housing and  
17 Urban Development for more than three  
18 such coordinators in any of fiscal years  
19 1998 through 2009 shall receive funding  
20 for the highest number of coordinators  
21 funded in a single fiscal year during that  
22 period, provided they meet applicable size  
23 and performance standards.

24 “(iv) INITIAL YEAR.—For the first  
25 year in which a public housing agency ex-

1           ercises its right to develop an family self-  
2           sufficiency program for its residents, it  
3           shall be entitled to funding to cover the  
4           costs of up to one family self-sufficiency  
5           coordinator, based on the size specified in  
6           its action plan for such program.

7           “(v) STATE AND REGIONAL AGEN-  
8           CIES.—For purposes of calculating the  
9           family self-sufficiency portion of the ad-  
10          ministrative fee under this subparagraph,  
11          each administratively distinct part of a  
12          State or regional public housing agency  
13          shall be treated as a separate agency.

14          “(vi) ~~DETERMINATION OF NUMBER~~  
15          OF COORDINATORS.—In determining  
16          whether a public housing agency meets a  
17          specific threshold for funding pursuant to  
18          this paragraph, the number of participants  
19          being served by the agency in its family  
20          self-sufficiency program shall be considered  
21          to be the average number of families en-  
22          rolled in such agency’s program during the  
23          course of the most recent fiscal year for  
24          which the Department of Housing and  
25          Urban Development has data.



1           “(C) PRORATION.—If insufficient funds  
2           are available in any fiscal year to fund all of the  
3           coordinators authorized under this section, the  
4           first priority shall be given to funding one coor-  
5           dinator at each agency with an existing family  
6           self-sufficiency program. The remaining funds  
7           shall be prorated based on the number of re-  
8           maining coordinators to which each agency is  
9           entitled under this subparagraph.

10           “(D) RECAPTURE.—Any fees allocated  
11           under this subparagraph by the Secretary in a  
12           fiscal year that have not been spent by the end  
13           of the subsequent fiscal year shall be recaptured  
14           by the Secretary and shall be available for pro-  
15           viding additional fees pursuant to subparagraph  
16           (B)(ii).

17           “(E) PERFORMANCE STANDARDS.—Within  
18           six months after the date of the enactment of  
19           this paragraph, the Secretary shall publish a  
20           proposed rule specifying the performance stand-  
21           ards applicable to funding under clauses (ii)  
22           and (iii) of subparagraph (B). Such standards  
23           shall include requirements applicable to the  
24           leveraging of in-kind services and other re-

1 sources to support the goals of the family self-  
2 sufficiency program.

3 “(F) DATA COLLECTION.—Public housing  
4 agencies receiving funding under this paragraph  
5 shall collect and report to the Secretary, in such  
6 manner as the Secretary shall require, informa-  
7 tion on the performance of their family self-suf-  
8 ficiency programs.

9 “(G) EVALUATION.—The Secretary shall  
10 conduct a formal and scientific evaluation of  
11 the effectiveness of well-run family self-suffi-  
12 ciency programs, comparing outcomes of fami-  
13 lies participating in such programs with fami-  
14 lies who are not, using random assignment of  
15 participants to the extent practicable. Not later  
16 than the expiration of the 4-year period begin-  
17 ning upon the enactment of this paragraph, the  
18 Secretary shall submit an interim evaluation re-  
19 port to the Congress. Not later than the expira-  
20 tion of the 8-year period beginning upon such  
21 enactment, the Secretary shall submit a final  
22 evaluation report to the Congress. There is au-  
23 thorized to be appropriated \$10,000,000 to  
24 carry out the evaluation under this subpara-  
25 graph.

1           “(H) INCENTIVES FOR INNOVATION AND  
2 HIGH PERFORMANCE.—The Secretary may re-  
3 serve up to 10 percent of the amounts made  
4 available for administrative fees under this  
5 paragraph to provide support to or reward fam-  
6 ily self-sufficiency programs that are particu-  
7 larly innovative or highly successful in achieving  
8 the goals of the program.”.

9       (c) REPEAL.—Section 202 of the Departments of  
10 Veterans Affairs and Housing and Urban Development,  
11 and Independent Agencies Appropriations Act, 1997 (42  
12 U.S.C. 1437f note; Public Law 104–204; 110 Stat. 2893)  
13 is hereby repealed.

14 **SEC. 8. HOMEOWNERSHIP.**

15       (a) SECTION 8 HOMEOWNERSHIP DOWNPAYMENT  
16 PROGRAM.—Section 8(y)(7) of the United States Housing  
17 Act of 1937 (42 U.S.C. 1437f(y)(7)) is amended by strik-  
18 ing subparagraphs (A) and (B) and inserting the following  
19 new subparagraphs:

20           “(A) IN GENERAL.—Subject to the provi-  
21 sions of this paragraph, in the case of a family  
22 on whose behalf rental assistance under section  
23 8(o) has been provided for a period of not less  
24 than 12 months prior to the date of receipt of  
25 downpayment assistance under this paragraph,

1 a public housing agency may, in lieu of pro-  
2 viding monthly assistance payments under this  
3 subsection on behalf of a family eligible for  
4 such assistance and at the discretion of the  
5 agency, provide a downpayment assistance  
6 grant in accordance with subparagraph (B).

7 “(B) GRANT REQUIREMENTS.—A down-  
8 payment assistance grant under this para-  
9 graph—

10 “(i) shall be used by the family only  
11 as a contribution toward the downpayment  
12 and reasonable and customary closing  
13 costs required in connection with the pur-  
14 chase of a home;

15 “(ii) shall be in the form of a single  
16 one-time grant; and

17 “(iii) may not exceed \$10,000.

18 “(C) NO EFFECT ON OBTAINING OUTSIDE  
19 SOURCES FOR DOWNPAYMENT ASSISTANCE.—  
20 This Act may not be construed to prohibit a  
21 public housing agency from providing downpay-  
22 ment assistance to families from sources other  
23 than a grant provided under this Act, or as de-  
24 termined by the public housing agency.”

1 (b) USE OF VOUCHERS FOR MANUFACTURED HOUS-  
2 ING.—Section 8(o)(12) of the United States Housing Act  
3 of 1937 (42 U.S.C. 1437f(o)(12) is amended—

4 (1) in subparagraph (A), by striking the period  
5 at the end of the first sentence and all that follows  
6 through “of” in the second sentence and inserting  
7 “and rents”; and

8 (2) in subparagraph (B)—

9 (A) in clause (i), by striking “the rent”  
10 and all that follows and inserting the following:  
11 “rent shall mean the sum of the monthly pay-  
12 ments made by a family assisted under this  
13 paragraph to amortize the cost of purchasing  
14 the manufactured home, including any required  
15 insurance and property taxes, the monthly  
16 amount allowed for tenant-paid utilities, and  
17 the monthly rent charged for the real property  
18 on which the manufactured home is located, in-  
19 cluding monthly management and maintenance  
20 charges.”;

21 (B) by striking clause (ii); and

22 (C) in clause (iii)—

23 (i) by inserting after the period at the  
24 end the following: “If the amount of the  
25 monthly assistance payment for a family

1 exceeds the monthly rent charged for the  
2 real property on which the manufactured  
3 home is located, including monthly man-  
4 agement and maintenance charges, a pub-  
5 lic housing agency may pay the remainder  
6 to the family, lender or utility company, or  
7 may choose to make a single payment to  
8 the family for the entire monthly assist-  
9 ance amount.”; and

10 (ii) by redesignating such clause as  
11 clause (ii).

12 **SEC. 9. PHA REPORTING OF RENT PAYMENTS TO CREDIT**  
13 **REPORTING AGENCIES.**

14 Section 3 of the United States Housing Act of 1937  
15 (42 U.S.C. 1437a), as amended by the preceding provi-  
16 sions of this Act, is further amended by adding at the end  
17 the following new subsection:

18 “(e) PHA REPORTING OF RENT PAYMENTS TO  
19 CREDIT REPORTING AGENCIES.—

20 “(1) AUTHORITY.—To the extent that a family  
21 receiving tenant-based housing choice vouchers  
22 under section 8 by a public housing agency agrees  
23 in writing to reporting under this subsection, the  
24 public housing agency may submit to consumer re-  
25 porting agencies described in section 603(p) of the

1 Fair Credit Reporting Act (15 U.S.C. 1681a) infor-  
2 mation regarding the past rent payment history of  
3 the family with respect to the dwelling unit for  
4 which such assistance is provided.

5 “(2) **FORMAT.**—The Secretary, after consulta-  
6 tion with consumer reporting agencies referred in  
7 paragraph (1), shall establish a system and format  
8 to be used by public housing agencies for reporting  
9 of information under such paragraph that provides  
10 such information in a format and manner that is  
11 similar to other credit information submitted to such  
12 consumer reporting agencies and is usable by such  
13 agencies.”.

14 **SEC. 10. PERFORMANCE ASSESSMENTS.**

15 Section 8(o) of the United States Housing Act of  
16 1937 (42 U.S.C. 1437f(o)) is amended by adding at the  
17 end the following new paragraph:

18 “(21) **PERFORMANCE ASSESSMENTS.**—

19 “(A) **ESTABLISHMENT.**—The Secretary  
20 shall, by regulation, establish standards and  
21 procedures for assessing the performance of  
22 public housing agencies in carrying out the pro-  
23 grams for tenant-based rental assistance under  
24 this subsection and for homeownership assist-  
25 ance under subsection (y).

1           “(B) CONTENTS.—The standards and pro-  
2           cedures under this paragraph shall provide for  
3           assessment of the performance of public hous-  
4           ing agencies in the following areas:

5                   “(i) Quality of dwelling units obtained  
6                   using such assistance.

7                   “(ii) Extent of utilization of assist-  
8                   ance amounts provided to the agency and  
9                   of authorized vouchers, using appropriate  
10                  adjustments for vouchers set aside to meet  
11                  commitments under paragraph (13).

12                  “(iii) Timeliness and accuracy of re-  
13                  porting by the agency to the Secretary.

14                  “(iv) Effectiveness in carrying out  
15                  policies that result in deconcentration of  
16                  poverty.

17                  “(v) Reasonableness of rent burdens,  
18                  consistent with public housing agency re-  
19                  sponsibilities under section 8(o)(1)(E)(iii).

20                  “(vi) Accurate calculations of rent,  
21                  utility allowances, and subsidy payments.

22                  “(vii) Effectiveness in carrying out  
23                  family self-sufficiency activities.

24                  “(viii) Timeliness of actions related to  
25                  landlord participation.



1           “(ix) Compliance with targeting re-  
2           quirements under section 16(b).

3           “(x) Such other areas as the Sec-  
4           retary considers appropriate.

5           “(C) BIENNIAL ASSESSMENT.—Not later  
6           than 2 years after the date of enactment of this  
7           paragraph, and at least every 2 years there-  
8           after, the Secretary, using the standards and  
9           procedures established under this paragraph,  
10          shall—

11           “(i) conduct an assessment of the per-  
12           formance of each public housing agency  
13           carrying out a program referred to in sub-  
14           paragraph (A);

15           “(ii) make such assessment available  
16           to the public housing agency and to the  
17           public via the website of the Department of  
18           Housing and Urban Development; and

19           “(iii) submit a report to Congress re-  
20           garding the results of each such assess-  
21           ment.”.

22   **SEC. 11. PHA PROJECT-BASED ASSISTANCE.**

23           Section 8(o)(13) of the United States Housing Act  
24   of 1937 (42 U.S.C. 1437f(o)(13)) is amended—

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

3           “(B) PERCENTAGE LIMITATION.—

4           “(i) IN GENERAL.—Subject to clause  
5           (ii), not more than 25 percent of the fund-  
6           ing available for tenant-based assistance  
7           under this section that is administered by  
8           the agency may be attached to structures  
9           pursuant to this paragraph.

10          “(ii) EXCEPTION.—An agency may at-  
11          tach up to an additional 5 percent of the  
12          funding available for tenant-based assist-  
13          ance under this section to structures pur-  
14          suant to this paragraph for dwelling units  
15          that house individuals and families that  
16          meet the definition of homeless under sec-  
17          tion 103 of the McKinney-Vento Homeless  
18          Assistance Act (42 U.S.C. 11302), that  
19          provide supportive housing to persons with  
20          disabilities, or that are located in areas  
21          where vouchers under this subsection are  
22          difficult to use, as specified in subpara-  
23          graph (D)(ii)(II). The Secretary may, by  
24          regulation, establish additional categories  
25          for the exception under this clause.”;

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

3 “(D) INCOME MIXING REQUIREMENT.—

4 “(i) IN GENERAL.—Except as pro-  
5 vided in clause (ii), not more than the  
6 greater of 25 dwelling units or 25 percent  
7 of the dwelling units in any project may be  
8 assisted under a housing assistance pay-  
9 ment contract for project-based assistance  
10 pursuant to this paragraph. For purposes  
11 of this subparagraph, the term ‘project’  
12 means a single building, multiple contig-  
13 uous buildings, or multiple buildings on  
14 contiguous parcels of land.

15 “(ii) EXCEPTIONS.—

16 “(I) CERTAIN HOUSING.—The  
17 limitation under clause (i) shall not  
18 apply in the case of assistance under  
19 a contract for housing consisting of  
20 single family properties, or for dwell-  
21 ing units that are specifically made  
22 available for households comprised of  
23 elderly families, disabled families, and  
24 families receiving comprehensive sup-  
25 portive services for special needs pop-

1           ulations, such as individuals who were  
2           formerly homeless. For purposes of  
3           the preceding sentence, the term 'sin-  
4           gle family properties' means buildings  
5           with no more than four dwelling units.

6                           “(II) CERTAIN AREAS.—

7                                   “(aa) With respect to areas  
8                           in which fewer than 75 percent  
9                           of families issued vouchers be-  
10                           come participants in the pro-  
11                           gram, the public housing agency  
12                           has established the payment  
13                           standard at 110 percent of the  
14                           fair market rent for all census  
15                           tracts in the area for the pre-  
16                           vious six months, the public  
17                           housing agency has requested a  
18                           higher payment standard, and  
19                           the public housing agency grants  
20                           an automatic extension of 90  
21                           days (or longer) to families with  
22                           vouchers who are attempting to  
23                           find housing, clause (i) shall be  
24                           applied by substituting '40 per-  
25                           cent' for '25 percent'; and

1                   “(bb) With respect to census  
2                   tracts with a poverty rate of 20  
3                   percent or less, clause (i) shall be  
4                   applied by substituting ‘50 per-  
5                   cent’ for ‘25 percent’ and the  
6                   Secretary may, by regulation, es-  
7                   tablish additional conditions.”;

8                   (3) in subparagraph (J)—

9                   (A) by striking the fifth and sixth sen-  
10                  tences and inserting the following: “A public  
11                  housing agency may establish and utilize proce-  
12                  dures for maintaining site-based waiting lists  
13                  under which applicants may apply directly at,  
14                  or otherwise designate to the public housing  
15                  agency, the project or projects in which they  
16                  seek to reside, except that all applicants on the  
17                  waiting list of an agency for assistance under  
18                  this subsection shall be permitted to place their  
19                  names on such separate list. All such proce-  
20                  dures shall comply with title VI of the Civil  
21                  Rights Act of 1964, the Fair Housing Act, and  
22                  other applicable civil rights laws. The owner or  
23                  manager of a structure assisted under this  
24                  paragraph shall not admit any family to a  
25                  dwelling unit assisted under a contract pursu-

1 ant to this paragraph other than a family re-  
2 ferred by the public housing agency from its  
3 waiting list, or a family on a site-based waiting  
4 list that complies with the requirements of this  
5 subparagraph. A public housing agency shall  
6 fully disclose to each applicant each option in  
7 the selection of a project in which to reside that  
8 is available to the applicant.”; and

9 (B) by inserting after the third sentence  
10 the following new sentence: “Any family who re-  
11 sides in a dwelling unit proposed to be assisted  
12 under this paragraph, or in a unit to be re-  
13 placed by a proposed unit to be assisted under  
14 this paragraph shall be given an absolute pref-  
15 erence for selection for placement in the pro-  
16 posed unit, if the family is otherwise eligible for  
17 assistance under this subsection.”; and

18 (4) by adding at the end the following new sub-  
19 paragraphs:

20 “(N) STRUCTURE OWNED BY AGENCY.—  
21 Notwithstanding any other provision of law, as  
22 part of an initiative to improve, develop, or re-  
23 place a public housing site, a public housing  
24 agency may attach assistance to an existing,  
25 newly constructed, or rehabilitated structure in

1           which the agency has an ownership interest  
2           without following a competitive process, but  
3           only if the agency includes such initiative in its  
4           public housing agency plan approved under sec-  
5           tion 5A and the units that receive such assist-  
6           ance will not receive assistance under section 9.  
7           The preceding sentence may not be construed  
8           to limit the ability of a public housing agency  
9           to attach assistance to structures under other  
10          applicable law.

11                   “(O) LEASES AND TENANCY.—Assistance  
12           provided under this paragraph shall be subject  
13           to the provisions of paragraph (7), except that  
14           subparagraph (A) of such paragraph shall not  
15           apply.

16                   “(P) ALLOWABLE TRANSFERS.—A public  
17           housing agency may transfer a portion of its  
18           vouchers and related budget authority to a pub-  
19           lic housing agency that administers a program  
20           under this subsection in another jurisdiction lo-  
21           cated in the same or a contiguous metropolitan  
22           area or county.

23                   “(Q) RENT FLEXIBILITY.—If a dwelling  
24           unit assisted under this paragraph also receives  
25           funding from either of the funds established

1           under section 1138 or 1339 of the Federal  
2           Housing Enterprises Financial Safety and  
3           Soundness Act of 1992 (12 U.S.C. 4568,  
4           4569), the rent for the unit, if agreed upon by  
5           both the public housing agency and the owner,  
6           may be established at an amount that is less  
7           than would otherwise be permitted under para-  
8           graphs (1)(B) or (10)(A) of this section.”.

9   **SEC. 12. RENT BURDENS.**

10           (a) **REVIEWS.**—Section 8(o)(1) of the United States  
11   Housing Act of 1937 (42 U.S.C. 1437f(o)(1)) is amended  
12   by striking subparagraph (E) and inserting the following  
13   new subparagraph:

14                   “(E) **REVIEWS.**—

15                           “(i) **RENT BURDENS.**—The Secretary  
16                   shall monitor rent burdens and submit a  
17                   report to the Congress annually on the  
18                   percentage of families assisted under this  
19                   subsection, occupying dwelling units of any  
20                   size, that pay more than 30 percent of  
21                   their adjusted incomes for rent and such  
22                   percentage that pay more than 40 percent  
23                   of their adjusted incomes for rent. Using  
24                   information regularly reported by public  
25                   housing agencies, the Secretary shall pro-



1           vide public housing agencies, on an annual  
2           basis, a report with the information de-  
3           scribed in the first sentence of this clause,  
4           and may require a public housing agency  
5           to modify a payment standard that results  
6           in a significant percentage of families as-  
7           sisted under this subsection, occupying  
8           dwelling units of any size, paying more  
9           than 30 percent of their adjusted incomes  
10          for rent. In implementing the requirements  
11          of this clause, the Secretary shall separate  
12          out calculations and consideration of fami-  
13          lies whose rent contributions are calculated  
14          under section 3(a)(3) and clauses (ii) and  
15          (iii) of paragraph (2)(A) of this subsection.

16                   “(ii) CONCENTRATION OF POVERTY.—  
17           The Secretary shall submit a report to the  
18           Congress annually on the degree to which  
19           families assisted under this subsection in  
20           each metropolitan area are clustered in  
21           lower rent, higher poverty areas, which  
22           shall include reporting of data by race and  
23           ethnicity, and how, and the extent to  
24           which, greater geographic distribution of  
25           such assisted families could be achieved,

1 including by increasing payment standards  
2 for particular communities within such  
3 metropolitan areas.

4 “(iii) PUBLIC HOUSING AGENCY RE-  
5 SPONSIBILITIES.—Each public housing  
6 agency shall make publicly available the in-  
7 formation on rent burdens provided by the  
8 Secretary pursuant to clause (i), and, for  
9 agencies located in metropolitan areas, the  
10 information on concentration provided by  
11 the Secretary pursuant to clause (ii). If a  
12 public housing agency has a high degree of  
13 concentration of poverty, as determined  
14 under a standard to be developed by the  
15 Secretary in accordance with clause (ii), or  
16 if the percentage of families paying more  
17 than 40 percent of their adjusted net in-  
18 come exceeds a percentage level, to be es-  
19 tablished by the Secretary, the public hous-  
20 ing agency shall adjust the payment stand-  
21 ard to eliminate excessive rent burdens  
22 within a reasonable time period or explain  
23 its reasons for not making such adjust-  
24 ment. The Secretary may not deny the re-  
25 quest of a public housing agency to set a

1 payment standard up to 120 percent of the  
2 fair market rent to eliminate excessive rent  
3 burdens in accordance with the preceding  
4 sentence, except on the basis that an agen-  
5 cy has not demonstrated that its request  
6 meets these criteria. If a request of a pub-  
7 lic housing agency has not been denied or  
8 approved with 45 days after the request is  
9 made, the request shall be considered to  
10 have been approved.”.

11 (b) PUBLIC HOUSING AGENCY PLAN.—Section  
12 5A(d)(4) of the United States Housing Act of 1937 (42  
13 U.S.C. 1437c–1(d)(4)) is amended by inserting before the  
14 period at the end the following: “, including the report  
15 with respect to the agency furnished by the Secretary pur-  
16 suant to section 8(o)(1)(E) concerning rent burdens and,  
17 if applicable, geographic concentration of voucher holders,  
18 any changes in rent or other policies the public housing  
19 agency is making to address excessive rent burdens or con-  
20 centration, and if the public housing agency is not adjust-  
21 ing its payment standard, its reasons for not doing so”.

22 (c) RENT BURDENS FOR PERSONS WITH DISABIL-  
23 ITIES.—Subparagraph (D) of section 8(o)(1) is amended  
24 by inserting before the period at the end the following:  
25 “, except that a public housing agency may establish a

1 payment standard of not more than 120 percent of the  
2 fair market rent where necessary as a reasonable accom-  
3 modation for a person with a disability, without approval  
4 of the Secretary. A public housing agency may seek ap-  
5 proval of the Secretary to use a payment standard greater  
6 than 120 percent of the fair market rent as a reasonable  
7 accommodation for a person with a disability”.

8 **SEC. 13. ESTABLISHMENT OF FAIR MARKET RENT.**

9 (a) IN GENERAL.—Paragraph (1) of section 8(e) of  
10 the United States Housing Act of 1937 (42 U.S.C.  
11 1437f(e)(1)) is amended—

12 (1) by inserting “(A)” after the paragraph des-  
13 ignation;

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

16 (3) by adding at the end the following:

17 “(B)(i) The Secretary shall endeavor to define mar-  
18 ket areas for purposes of this paragraph in a manner that  
19 results in fair market rentals that are adequate to cover  
20 typical rental costs of units suitable for occupancy by per-  
21 sons assisted under this section in as wide a range of com-  
22 munities as is feasible, including communities with low  
23 poverty rates.

24 “(ii) The Secretary at a minimum shall define a sepa-  
25 rate market area for each—

1           “(I) incorporated city or other place as defined  
2           for purposes of reporting census data, with more  
3           than 40,000 rental dwelling units; and

4           “(II) county or, in the case of a county that in-  
5           cludes a city or place specified in subclause (I), for  
6           the remainder of the county located outside the  
7           boundaries of such city or place.

8           The requirement under subclause (II) shall not apply to  
9           any counties wholly within a city or place specified in sub-  
10          clause (I) or any counties located in the States of Con-  
11          necticut, Maine, Massachusetts, New Hampshire, Rhode  
12          Island, or Vermont.

13          “(iii) Notwithstanding clause (ii), the Secretary may  
14          establish minimum fair market rents within each State to  
15          ensure that fair market rents in a State are adequate to  
16          cover the cost of standard quality housing in such State.

17          “(iv) The Secretary shall, at the request of a public  
18          housing agency, establish separate market areas for part  
19          or all of the area under the jurisdiction of such agency  
20          and for all the remaining portions of the market area in  
21          which the requested separate market area is currently lo-  
22          cated, if—

23                  “(I) the requested separate market area con-  
24                  tains at least 20,000 rental dwelling units;

1           “(II) the areas contained in the requested sepa-  
2           rate market area are geographically contiguous;

3           “(III) the requested separate market area con-  
4           forms to the boundaries of census places, census  
5           tracts, or other geographic areas for which adequate  
6           data are available, as specified by the Secretary;

7           “(IV) establishing the requested separate mar-  
8           ket area would raise or lower the fair market rental  
9           in the requested separate market area by 10 percent  
10          or more compared to the fair market rental that  
11          would be established if the current market area were  
12          maintained; and

13          “(V) the remainder of the market area in which  
14          the requested separate market area is currently lo-  
15          cated consist of one or more areas meeting the cri-  
16          teria in subclauses (I), (II), and (III).

17 The Secretary may establish reasonable requirements re-  
18 garding the timing and frequency of requests as needed  
19 to facilitate efficient administration, except that public  
20 housing agencies shall have the opportunity to request sep-  
21 arate market areas at least once every five years. For pur-  
22 poses of subclause (III), data for an area shall be consid-  
23 ered adequate if they are sufficient to establish from time  
24 to time a reliable benchmark fair market rental based pri-  
25 marily on data from that area, whether or not those data

1 need to be supplemented with data from a larger area for  
2 purposes of annual updates.

3 “(v) The Secretary shall not reduce the fair market  
4 rental in a market area as a result of a change in the  
5 percentile of the distribution of market rents used to es-  
6 tablish the fair market rental.

7 “(vi) The Secretary shall phase in large increases or  
8 decreases in the fair market rentals that result from  
9 changes in market area boundaries or other methodo-  
10 logical changes that do not reflect actual year-to-year  
11 trends in rents by limiting such increases or decreases to  
12 not more than 5 percent each year.”.

13 (b) PAYMENT STANDARD.—Subparagraph (B) of sec-  
14 tion 8(o)(1) of the United States Housing Act of 1937  
15 (42 U.S.C. 1437f(o)(1)(B)) is amended by inserting be-  
16 fore the period at the end the following: “, except that  
17 no public housing agency shall be required as a result of  
18 a reduction in the fair market rental to reduce the pay-  
19 ment standard applied to a family continuing to reside in  
20 a unit for which the family was receiving assistance under  
21 this section at the time the fair market rental was re-  
22 duced”.

1 **SEC. 14. SCREENING OF APPLICANTS.**

2 (a) IN GENERAL.—Subparagraph (B) of section  
3 8(o)(6) of the United States Housing Act of 1937  
4 (1437f(o)(6)(B)) is amended—

5 (1) by striking “(B) SELECTION OF TEN-  
6 ANTS.—Each” and inserting the following:

7 “(B) SELECTION OF TENANTS.—

8 “(i) FUNCTION OF OWNER.—Each”;

9 (2) in the first sentence, by striking “unit)”  
10 and inserting “unit”;

11 (3) by striking “In addition” and inserting the  
12 following:

13 “(ii) SCREENING.—In addition”;

14 (4) by inserting after “establish.” the following:

15 “A public housing agency’s elective screening shall  
16 be limited to criteria that are directly related to an  
17 applicant’s ability to fulfill the obligations of an as-  
18 sisted lease and shall consider mitigating cir-  
19 cumstances related to such applicant. The require-  
20 ments of the preceding sentence shall not limit the  
21 ability of a public housing agency to deny assistance  
22 based on an applicant’s criminal background or any  
23 other permissible grounds for denial under subtitle F  
24 of title V of the Quality Housing and Work Respon-  
25 sibility Act of 1998 (42 U.S.C. 13661 et seq.; relat-  
26 ing to safety and security in public and assisted



1 housing), subject to the procedural requirements of  
2 this section. Any applicant or participant determined  
3 to be ineligible for admission or continued participa-  
4 tion to the program shall be notified of the basis for  
5 such determination and provided, within a reason-  
6 able time after the determination, an opportunity for  
7 an informal hearing on such determination at which  
8 mitigating circumstances, including remedial conduct  
9 subsequent to the conduct that is the basis of such  
10 determination, shall be considered.”; and

11 (5) by adding at the end the following:

12 “(iii) EXISTING ASSISTED FAMI-  
13 LIES.—Families being provided enhanced  
14 vouchers pursuant to subsection (t), fami-  
15 lies receiving assistance under this Act  
16 that are subsequently provided tenant-  
17 based assistance pursuant to subsection  
18 (dd)(1)(B), and families residing in multi-  
19 family housing subject to a mortgage in-  
20 sured under the National Housing Act that  
21 are provided tenant-based assistance pur-  
22 suant to subsection (dd)(1)(B)(xiv) of this  
23 section shall not be considered new appli-  
24 cants under this paragraph and shall not

1           be subject to elective re-screening by a  
2           public housing agency.”.

3           (b) LEASES AND TENANCY.—Subparagraph (E) of  
4 section 8(o)(7) of the United States Housing Act of 1937  
5 (42 U.S.C. 1437f(o)(7)(E)) is amended by inserting “ter-  
6 mination or” after “any” the last place such term appears.

7 **SEC. 15. ENHANCED VOUCHERS.**

8           (a) QUALIFICATION; ELECTION TO REMAIN IN  
9 UNIT.—Section 8(t)(1) of the United States Housing Act  
10 of 1937 (42 U.S.C. 1437f(t)(1)(B)) is amended—

11           (1) in the matter preceding subparagraph (A),  
12           by inserting “and shall not require that the family  
13           requalify under the selection standards for a public  
14           housing agency in order to be eligible for such as-  
15           sistance” before the comma; and

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

18           “(B)(i) the assisted family may elect to re-  
19           main in the same project in which the family  
20           was residing on the date of the eligibility event  
21           for the project regardless of unit and family  
22           size standards normally used by the admin-  
23           istering public housing agency (except that ten-  
24           ants may be required to move to units of appro-  
25           priate size if available on the premises), and the

1 owner of the unit shall accept the enhanced  
2 voucher and terminate the tenancy only for se-  
3 rious or repeated violation of the terms and  
4 conditions of the lease or for violation of appli-  
5 cable law; and

6 “(ii) if, during any period the family  
7 makes such an election and continues to so re-  
8 side, the rent for the dwelling unit of the family  
9 in such project exceeds the applicable payment  
10 standard established pursuant to subsection (o)  
11 for the unit, the amount of rental assistance  
12 provided on behalf of the family shall be deter-  
13 mined using a payment standard that is equal  
14 to the rent for the dwelling unit (as such rent  
15 may be increased from time-to-time), subject to  
16 paragraph (10)(A) of subsection (o) and any  
17 other reasonable limit prescribed by the Sec-  
18 retary, except that a limit shall not be consid-  
19 ered reasonable for purposes of this subpara-  
20 graph if it adversely affects such assisted fami-  
21 lies;”.

22 (b) PROVISION TO RESIDENTS OF ASSISTED MULTI-  
23 FAMILY PROJECTS UPON TERMINATION DATE.—

24 (1) REQUIREMENT.—Upon the termination  
25 date for each assisted multifamily housing project,

1 to the extent that amounts for assistance under this  
2 paragraph are provided in advance in appropriation  
3 Acts, the Secretary of Housing and Urban Develop-  
4 ment shall make enhanced voucher assistance under  
5 section 8(t) of the United States Housing Act of  
6 1937 (42 U.S.C. 1437f(t)) available on behalf of  
7 each family described in paragraph (2).

8 (2) ELIGIBILITY.—A family described in this  
9 paragraph is a family who—

10 (A)(i) is a low-income family; or

11 (ii) is a moderate-income family that is—

12 (I) an elderly family (as such term is  
13 used in section 3(b) of the United States  
14 Housing Act of 1937 (42 U.S.C.  
15 1437a(b));

16 (II) a disabled family (as such term is  
17 used in section 3(b) of the United States  
18 Housing Act of 1937 (42 U.S.C.  
19 1437a(b)); or

20 (III) residing in a low-vacancy area  
21 (as determined by the Secretary); and

22 (B) on such termination date, is residing  
23 in a dwelling unit of the project that—

24 (i) immediately before such termi-  
25 nation date was assisted under the multi-

1 family housing subsidy program for the  
2 project; and

3 (ii) is not assisted after such termi-  
4 nation date under section 8 of such Act.

5 (3) ELIGIBILITY EVENT.—Section 8(t)(2) of the  
6 United States Housing Act of 1937 (42 U.S.C.  
7 1437f(t)(2)) is amended by adding after the period  
8 at the end the following new sentence: “Such term  
9 includes, with respect to an assisted multifamily  
10 housing project (as such term is defined in section  
11 15(b) of the Section 8 Voucher Reform Act of  
12 2009), the occurrence of the termination date for  
13 the project.

14 (4) DEFINITIONS.—For purposes of this sub-  
15 section, the following definitions shall apply:

16 (A) ASSISTED MULTIFAMILY HOUSING  
17 PROPERTY.—The term “assisted multifamily  
18 housing property” means a multifamily housing  
19 project for which assistance is provided under a  
20 multifamily housing subsidy program.

21 (B) LOW-INCOME FAMILY.—The term  
22 “low-income family” has the meaning given  
23 such term in section 3(b) of the United States  
24 Housing Act of 1937 (42 U.S.C. 1437a(b)).

1           (C) MODERATE-INCOME FAMILY.—The  
2           term “moderate-income family” has the mean-  
3           ing given such term in section 229 of the Low-  
4           Income Housing Preservation and Resident  
5           Homeownership Act of 1992 (12 U.S.C. 4119).

6           (D) MULTIFAMILY HOUSING SUBSIDY PRO-  
7           GRAM.—The term “multifamily housing subsidy  
8           program” means—

9                   (i) the below-market interest rate  
10                  mortgage insurance program under section  
11                  221(d)(3) of the National Housing Act (12  
12                  U.S.C. 1715l(d)(3)); and

13                  (ii) the program for interest reduction  
14                  payments under section 236 of the Na-  
15                  tional Housing Act (12 U.S.C. 1715z-1).

16           (E) TERMINATION DATE.—The term “ter-  
17           mination date” means, with respect to an as-  
18           sisted multifamily housing property, the date  
19           that—

20                   (i) the mortgage for the property that  
21                  is insured under the below-market interest  
22                  rate program under section 221(d)(3) of  
23                  the National Housing Act, or for which in-  
24                  terest reduction payments are made under  
25                  section 236 of such Act, matures; and

1 (ii) the affordability restrictions appli-  
2 cable to the property because of assistance  
3 for the property pursuant to a multifamily  
4 housing subsidy program terminate with  
5 respect to the property.

6 (5) REGULATIONS.—The Secretary may issue  
7 any regulations necessary to carry out this sub-  
8 section.

9 **SEC. 16. DEMONSTRATION PROGRAM WAIVER AUTHORITY.**

10 (a) AUTHORITY TO ENTER INTO AGREEMENTS.—  
11 Notwithstanding any other provision of law, the Secretary  
12 of Housing and Urban Development may enter into such  
13 agreements as may be necessary with the Social Security  
14 Administration and the Secretary of Health and Human  
15 Services to allow for the participation, in any demonstra-  
16 tion program described in subsection (c), by the Depart-  
17 ment of Housing and Urban Development and the use  
18 under such program of housing choice vouchers under sec-  
19 tion 8(o) of the United States Housing Act of 1937 (42  
20 U.S.C. 1437f(o)).

21 (b) WAIVER OF INCOME REQUIREMENTS.—The Sec-  
22 retary of Housing and Urban Development may, to extent  
23 necessary to allow rental assistance under section 8(o) of  
24 the United States Housing Act of 1937 to be provided  
25 on behalf of persons described in subsection (c) who par-

1 ticipate in a demonstration program described in such  
2 subsection, and to allow such persons to be placed on a  
3 waiting list for such assistance, partially or wholly dis-  
4 regard increases in earned income for the purpose of rent  
5 calculations under section 3 for such persons.

6 (c) DEMONSTRATION PROGRAMS.—A demonstration  
7 program described in this subsection is a demonstration  
8 program of a State that provides for persons with signifi-  
9 cant disabilities to be employed and continue to receive  
10 benefits under programs of the Department of Health and  
11 Human Services and the Social Security Administration,  
12 including the program of supplemental security income  
13 benefits under title XVI of the Social Security Act, dis-  
14 ability insurance benefits under title II of such Act, and  
15 the State program for medical assistance (Medicaid) under  
16 title XIX of such Act.

17 **SEC. 17. ACCESS TO HUD PROGRAMS FOR PERSONS WITH**  
18 **LIMITED ENGLISH PROFICIENCY.**

19 (a) HUD RESPONSIBILITIES.—To allow the Depart-  
20 ment of Housing and Urban Development to better serve  
21 persons with limited proficiency in the English language  
22 by providing technical assistance to recipients of Federal  
23 funds, the Secretary of Housing and Urban Development  
24 shall take the following actions:



1           (1) TASK FORCE.—Within 90 days after the en-  
2           actment of this Act, convene a task force comprised  
3           of appropriate industry groups, recipients of funds  
4           from the Department of Housing and Urban Devel-  
5           opment (in this section referred to as the “Depart-  
6           ment”), community-based organizations that serve  
7           individuals with limited English proficiency, civil  
8           rights groups, and stakeholders, which shall identify  
9           a list of vital documents, including Department and  
10          certain property and other documents, to be com-  
11          petently translated to improve access to federally  
12          conducted and federally assisted programs and ac-  
13          tivities for individuals with limited English pro-  
14          ficiency. The task force shall meet not less fre-  
15          quently than twice per year.

16          (2) TRANSLATIONS.—Within 6 months after  
17          identification of documents pursuant to paragraph  
18          (1), produce translations of the documents identified  
19          in all necessary languages and make such trans-  
20          lations available as part of the library of forms avail-  
21          able on the website of the Department and as part  
22          of the clearinghouse developed pursuant to para-  
23          graph (4).

24          (3) PLAN.—Develop and carry out a plan that  
25          includes providing resources of the Department to

1 assist recipients of Federal funds to improve access  
2 to programs and activities for individuals with lim-  
3 ited English proficiency, which plan shall include the  
4 elements described in paragraph (4).

5 (4) HOUSING INFORMATION RESOURCE CEN-  
6 TER.—Develop and maintain a housing information  
7 resource center to facilitate the provision of lan-  
8 guage services by providers of housing services to in-  
9 dividuals with limited English proficiency. Informa-  
10 tion provided by such center shall be made available  
11 in printed form and through the Internet. The re-  
12 sources provided by the center shall include the fol-  
13 lowing:

14 (A) TRANSLATION OF WRITTEN MATE-  
15 RIALS.—The center may provide, directly or  
16 through contract, vital documents from com-  
17 petent translation services for providers of  
18 housing services.

19 (B) TOLL-FREE CUSTOMER SERVICE TELE-  
20 PHONE NUMBER.—The center shall provide a  
21 24-hour toll-free interpretation service tele-  
22 phone line, by which recipients of funds of the  
23 Department and individuals with limited  
24 English proficiency may—

1 (i) obtain information about federally  
2 conducted or federally assisted housing  
3 programs of the Department;

4 (ii) obtain assistance with applying for  
5 or accessing such housing programs and  
6 understanding Federal notices written in  
7 English; and

8 (iii) communicate with housing pro-  
9 viders, and learn how to access additional  
10 language services.

11 The toll-free telephone service provided pursu-  
12 ant to this subparagraph shall supplement re-  
13 sources in the community identified by the plan  
14 developed pursuant to paragraph (3).

15 (C) DOCUMENT CLEARINGHOUSE.—The  
16 center shall collect and evaluate for accuracy or  
17 develop, and make available, templates and doc-  
18 uments that are necessary for consumers, rel-  
19 evant industry representatives, and other stake-  
20 holders of the Department, to access, make  
21 educated decisions, and communicate effectively  
22 about their housing, including—

23 (i) administrative and property docu-  
24 ments;

25 (ii) legally binding documents;

- 1 (iii) consumer education and outreach  
2 materials;  
3 (iv) documents regarding rights and  
4 responsibilities of any party; and  
5 (v) remedies available to consumers.

6 (D) STUDY OF LANGUAGE ASSISTANCE  
7 PROGRAMS.—The center shall conduct a study  
8 that evaluates best-practices models for all pro-  
9 grams of the Department that promote lan-  
10 guage assistance and strategies to improve lan-  
11 guage services for individuals with limited  
12 English proficiency. Not later than 18 months  
13 after the date of the enactment of this Act, the  
14 center shall submit a report to the Committee  
15 on Financial Services of the House of Rep-  
16 resentatives and the Committee on Banking,  
17 Housing, and Urban Affairs of the Senate,  
18 which shall provide recommendations for imple-  
19 mentation, specific to programs of the Depart-  
20 ment, and information and templates that could  
21 be made available to all recipients of grants  
22 from the Department.

23 (E) CULTURAL AND LINGUISTIC COM-  
24 PETENCE MATERIALS.—The center shall pro-  
25 vide information relating to culturally and lin-

1           guistically competent housing services for popu-  
2           lations with limited English proficiency.

3           (b) AUTHORIZATION OF APPROPRIATIONS.—There  
4 are authorized to be appropriated such sums as may be  
5 necessary to carry out subsection (a).

6           (c) REPORT.—Not later than the expiration of the 6-  
7 month period beginning on the date of the enactment of  
8 this Act, and annually thereafter, the Secretary of Hous-  
9 ing and Urban Development shall submit a report regard-  
10 ing its compliance with the requirements under subsection  
11 (a) to the Committee on Financial Services of the House  
12 of Representatives and the Committee on Banking, Hous-  
13 ing, and Urban Affairs of the Senate.

14 **SEC. 18. AUTHORIZATION OF APPROPRIATIONS.**

15           There is authorized to be appropriated the amount  
16 necessary for each of fiscal years 2010 through 2014 to  
17 provide public housing agencies with incremental assist-  
18 ance under section 8(o) of the United States Housing Act  
19 of 1937 (42 U.S.C. 1437f(o)) sufficient to assist 150,000  
20 incremental dwelling units in each such fiscal year, for—

21           (1) tenant-based assistance; and

22           (2) project-based voucher assistance for ex-  
23 tremely low-income families, in conjunction with—

24           (A) funding from either of the funds estab-  
25 lished under section 1138 or 1339 of the Fed-

1 eral Housing Enterprises Financial Safety and  
2 Soundness Act of 1992 (12 U.S.C. 4568,  
3 4569);

4 (B) low-income housing tax credits pro-  
5 vided under section 42 of the Internal Revenue  
6 Code of 1986;

7 (C) amounts provided under the commu-  
8 nity development block grant program under  
9 title I of the Housing and Community Develop-  
10 ment Act of 1974 (42 U.S.C. 5301 et seq) and  
11 the HOME investment partnerships program  
12 under title II of the Cranston-Gonzalez Na-  
13 tional Affordable Housing Act (42 U.S.C.  
14 12721 et seq.); and

15 (D) State and local affordable housing  
16 funds and programs.

17 **SEC. 19. AGENCY AUTHORITY FOR UTILITY PAYMENTS IN**  
18 **CERTAIN CIRCUMSTANCES.**

19 Section 8(o) of the United States Housing Act of  
20 1937 (42 U.S.C. 1437f(o)), as amended by the preceding  
21 provisions of this Act, is further amended by adding at  
22 the end the following new paragraph:

23 “(22) AUTHORITY OF PUBLIC HOUSING AGEN-  
24 CIES TO MAKE DIRECT PAYMENTS FOR UTILITIES  
25 WHEN OWNER FAILS TO PAY.—

1           “(A) IN GENERAL.—If the owner has  
2           failed to pay for utilities that are the responsi-  
3           bility of the owner under the lease or applicable  
4           law, the public housing agency is authorized to  
5           utilize subsidy payments otherwise due the  
6           owner to pay for continued utility service to  
7           avoid hardship to program participants.

8           “(B) NOTICE.—Before making utility pay-  
9           ments as described in subparagraph (A), the  
10          public housing agency shall take reasonable  
11          steps to notify the owner that it intends to  
12          make payments to a utility provider in lieu of  
13          payments to the owner, except prior notification  
14          shall not be required in any case in which the  
15          unit will be or has been rendered uninhabitable  
16          due to the termination or threat of termination  
17          of service, in which case the public housing  
18          agency shall notify the owner within a reason-  
19          able time after making such payment.”.

20 **SEC. 20. PROJECT-BASED PRESERVATION VOUCHERS.**

21          (a) ENHANCED VOUCHERS.—Section 8(t) of the  
22          United States Housing Act of 1937 (42 U.S.C. 1437f(t))  
23          is amended—

24                  (1) by redesignating paragraph (4) as para-  
25          graph (5); and

1           (2) by inserting after paragraph (3) the fol-  
2           lowing new paragraph:

3           “(4) PRESERVATION PROJECT-BASED VOUCHER  
4           ASSISTANCE.—Notwithstanding any other provision  
5           of law, in the case of a multifamily housing project  
6           with respect to which an eligibility event occurs or  
7           has occurred, project-based voucher assistance may  
8           be provided in accordance with subsection (o)(13)(P)  
9           in lieu of enhanced voucher assistance under this  
10          subsection. Such project-based voucher assistance  
11          shall not be subject to the provisions of this sub-  
12          section, except as otherwise specifically provided in  
13          subsection (o)(13)(P).”.

14          (b) PHA PROJECT-BASED VOUCHER ASSISTANCE.—  
15          Paragraph (13) of section 8(o) of the United States Hous-  
16          ing Act of 1937 (42 U.S.C. 1437f(o)(13)), as amended  
17          by the preceding provisions of this Act, is further amended  
18          by adding at the end the following new subparagraph::

19                 “(P) PRESERVATION ASSISTANCE.—  
20                         “(i)           AUTHORITY.—Project-based  
21                         voucher assistance under this paragraph  
22                         shall be made available in accordance with  
23                         this subparagraph for multifamily housing  
24                         projects for which an eligibility event (as  
25                         such term is defined in subsection (t)) oc-



1           curs or has occurred and for which en-  
2           hanced voucher assistance would otherwise  
3           be, or has been, provided under subsection  
4           (t). Any such assistance shall be in lieu of  
5           enhanced voucher assistance under sub-  
6           section (t) for tenants residing in the  
7           project and shall be provided by the Sec-  
8           retary to a public housing agency.

9           “(ii) REQUEST AND PROVISION.—If  
10          the owner of a multifamily housing project  
11          makes a request for project-based voucher  
12          assistance pursuant to this subparagraph  
13          for the project to a public housing agency  
14          that administers a program for assistance  
15          under subsection (o) for a jurisdiction  
16          within which the project is located, a con-  
17          tract for assistance under this subpara-  
18          graph shall be provided with respect to the  
19          project, subject to clause (v).

20          “(iii) TIMING, COVERAGE, AND UNIT  
21          RENTS.—

22          “(I) REQUEST MADE BEFORE  
23          ELIGIBILITY EVENT.—In the case of a  
24          contract for assistance under this sub-  
25          paragraph with respect to a project

1 that is requested prior to the occur-  
2 rence of the eligibility event, the con-  
3 tract for assistance shall be provided,  
4 subject to clause (v), upon the occur-  
5 rence of the eligibility event. Such  
6 contract shall cover all dwelling units  
7 in the project for which enhanced  
8 voucher assistance under subsection  
9 (t) would otherwise be provided.

10 “(II) REQUEST MADE AFTER  
11 ISSUANCE OF ENHANCED VOUCH-  
12 ERS.—In the case of a contract for  
13 assistance under this subparagraph  
14 with respect to a project that is re-  
15 quested after the issuance of enhanced  
16 vouchers under subsection (t) for the  
17 project, the contract shall be provided,  
18 subject to clause (v), as soon as pos-  
19 sible. Such contract shall cover all  
20 dwelling units in the project that are  
21 occupied by tenants receiving such en-  
22 hanced voucher assistance at the time  
23 the contract is effective.

24 “(III) COVERAGE OF ADDI-  
25 TIONAL DWELLING UNITS.—At the re-

1 quest of the owner of a multifamily  
2 housing project for which a contract  
3 for assistance is to be provided under  
4 this subparagraph, the public housing  
5 agency may contract with the owner  
6 for project-based voucher assistance  
7 under this subparagraph to cover ad-  
8 ditional dwelling units, if the public  
9 housing agency determines that such  
10 additional assistance is necessary or  
11 desirable to further the purposes re-  
12 flected in clause (v).

13 “(IV) APPROVAL OF HIGHER  
14 RENTS.—At the request of the owner  
15 of a multifamily housing project for a  
16 contract for assistance under this sub-  
17 paragraph to establish rents at levels  
18 above those permitted by subpara-  
19 graph (H), a public housing agency  
20 that has made the determinations re-  
21 quired by clause (v) may request, and  
22 the Secretary may approve, higher  
23 unit rents if necessary to preserve  
24 housing opportunities that further the  
25 purposes of clause (v).

1           “(iv) PROJECTS IN MULTIPLE PHA JU-  
2           RISDICTIONS.—If the Secretary has not en-  
3           tered into a contract with a public housing  
4           agency to provide enhanced voucher assist-  
5           ance under subsection (t) for the project at  
6           the time the owner of a multifamily hous-  
7           ing project requests assistance under this  
8           subparagraph, and the project is located  
9           within the jurisdiction for the program  
10          under subsection (o) of more than one pub-  
11          lic housing agency, in determining which  
12          agency will administer such assistance, the  
13          Secretary shall—

14                   “(I) consider the ratio of the  
15                   number of vouchers to be awarded  
16                   under this subparagraph and of other  
17                   project-based vouchers administered  
18                   under this paragraph to the total  
19                   number of vouchers administered by  
20                   an agency; and

21                   “(II) among other factors, pro-  
22                   vide preference to an agency for which  
23                   the total number of project-based  
24                   vouchers administered under this  
25                   paragraph, including vouchers to be

1 awarded pursuant to this subpara-  
2 graph, would not exceed 50 percent of  
3 the total number of all vouchers to be  
4 administered by the agency after such  
5 award.

6 “(v) REQUIRED DETERMINATIONS.—  
7 As a condition of entering into a contract  
8 pursuant to this subparagraph, the public  
9 housing agency shall have determined, be-  
10 fore entering into such contract that—

11 “(I) the housing to be assisted  
12 under the contract is economically via-  
13 ble; and

14 “(II)(aa) there is a significant  
15 demand for the housing;

16 “(bb) the housing will contribute  
17 to a community revitalization plan or  
18 to deconcentrating poverty and ex-  
19 panding housing and economic oppor-  
20 tunities; or

21 “(cc) the continued affordability  
22 of the housing otherwise is an impor-  
23 tant asset to the community.

24 “(vi) INAPPLICABILITY OF GOALS.—  
25 Subparagraph (C) shall not apply to a

1 housing assistance payment contract pur-  
2 suant to this subparagraph.

3 “(vii) DISREGARD OF ASSISTANCE  
4 UNDER PERCENTAGE LIMITATION.—  
5 Amounts provided pursuant to this sub-  
6 paragraph shall not be considered for pur-  
7 poses of calculating the limitation under  
8 subparagraph (B).

9 “(viii) INAPPLICABILITY OF INCOME-  
10 MIXING REQUIREMENT.—Subparagraph  
11 (D) shall not apply with respect to a hous-  
12 ing assistance payments contract pursuant  
13 to this subparagraph.

14 “(ix) ELIGIBILITY.—Subject only to  
15 clause (iii) and notwithstanding any other  
16 provision of law, any family residing in a  
17 multifamily housing project on the date of  
18 the eligibility event for the project who  
19 would otherwise be eligible for enhanced  
20 voucher assistance under subsection (t)  
21 shall be eligible for project-based voucher  
22 assistance pursuant to this subpara-  
23 graph.”.

1 **SEC. 21. EFFECT OF FORECLOSURE ON SECTION 8 TENAN-**  
2 **CIES.**

3 Paragraph (7) of section 8(o) of the United States  
4 Housing Act of 1937 (42 U.S.C. 1437f(o)(7)) is amend-  
5 ed—

6 (1) in subparagraph (C), by inserting before the  
7 semicolon at the end the following: “, and

8 “(i) in the case of an owner who is an  
9 immediate successor in interest pursuant  
10 to foreclosure, during the initial term of  
11 the tenant’s lease having the property va-  
12 cant prior to sale shall not constitute good  
13 cause; and

14 “(ii) if the immediate successor in in-  
15 terest, pursuant to foreclosure in subse-  
16 quent terms of the tenant’s lease will oc-  
17 cupy the property as a primary residence  
18 or if the unit is unmarketable while occu-  
19 pied—

20 “(I) such owner may terminate a  
21 lease relating to such unit for good  
22 cause on the effective date of a notice  
23 to vacate;

24 “(II) such notice to vacate shall  
25 be provided by the owner to the ten-  
26 ant in such unit at least 90 days be-

1 fore the effective date of such notice;  
2 and

3 “(III) if such successor in inter-  
4 est sells the property to a purchaser  
5 who does not reaffirm the existing  
6 lease or enter into a new lease of at  
7 least 90 days duration, such pur-  
8 chaser shall provide the tenant with a  
9 notice to vacate which shall be pro-  
10 vided by such purchaser at least 90  
11 days before the effective date of such  
12 notice.”.

13 (2) in subparagraph (E), by striking “and” at  
14 the end;

15 (3) by redesignating subparagraph (F) as sub-  
16 paragraph (G); and

17 (4) by inserting after subparagraph (E) the fol-  
18 lowing:

19 “(F) shall provide that in the case of any  
20 foreclosure on any residential real property in  
21 which a recipient of assistance under this sub-  
22 section resides, the immediate successor in in-  
23 terest in such property pursuant to the fore-  
24 closure shall assume such interest subject to the  
25 lease between the prior owner and the tenant



1 and to the housing assistance payments con-  
2 tract between the prior owner and the public  
3 housing agency for the occupied unit; if a public  
4 housing agency is unable to make payments  
5 under the contract to the immediate successor  
6 in interest after foreclosure, due to action or in-  
7 action by the successor in interest, including  
8 the rejection of payments or the failure of the  
9 successor to maintain the unit in compliance  
10 with paragraph (8) or an inability to identify  
11 the successor, the agency may use funds that  
12 would have been used to pay the rental amount  
13 on behalf of the family—

14 “(i) to pay for utilities that are the  
15 responsibility of the owner under the lease  
16 or applicable law, after taking reasonable  
17 steps to notify the owner that it intends to  
18 make payments to a utility provider in lieu  
19 of payments to the owner, except prior no-  
20 tification shall not be required in any case  
21 in which the unit will be or has been ren-  
22 dered uninhabitable due to the termination  
23 or threat of termination of service, in  
24 which case the public housing agency shall

1 notify the owner within a reasonable time  
2 after making such payment; or

3 “(ii) for the family”s reasonable mov-  
4 ing costs, including security deposit costs;  
5 except that this subparagraph and the provi-  
6 sions related to foreclosure in subparagraph (C)  
7 shall not affect any State or local law that pro-  
8 vides longer time periods or other additional  
9 protections for tenants.”.

10 **SEC. 22. STUDY TO IDENTIFY OBSTACLES TO USING**  
11 **VOUCHERS IN FEDERALLY SUBSIDIZED**  
12 **HOUSING PROJECTS.**

13 (a) STUDY.—The Comptroller General of the United  
14 States shall conduct a study of (1) the housing voucher  
15 program authorized under section 8(o) of the United  
16 States Housing Act of 1937 (42 U.S.C. 1437f(o)), and  
17 (2) other federally subsidized housing programs, to deter-  
18 mine whether any statutory, regulatory, or administrative  
19 provisions of the housing voucher program or of other fed-  
20 erally subsidized housing programs, or policies and prac-  
21 tices of housing owners or public housing agencies or other  
22 agencies, may have the effect of making occupancy by  
23 voucher holders in federally subsidized housing projects  
24 more difficult to obtain than occupancy by non-voucher  
25 holders. In conducting the study required under this sub-

1 section the Comptroller General shall determine if any  
2 gaps exist in the statute, regulations, or administration  
3 of the housing voucher program or of other federally sub-  
4 sidized housing programs and policies and practices of  
5 housing owners or public housing agencies or other agen-  
6 cies that, if addressed, could eliminate or reduce obstacles  
7 to voucher holders in seeking occupancy in federally sub-  
8 sidized housing projects. Such study shall include data on  
9 the use of housing vouchers in federally subsidized housing  
10 projects.

11 (b) DEFINITION.—As used in this section, the term  
12 “federally subsidized housing projects” includes projects  
13 assisted pursuant to the HOME investment partnerships  
14 program under title II of the Cranston-Gonzalez National  
15 Affordable Housing Act (42 U.S.C. 12721 et seq.) and  
16 those projects receiving the benefit of low-income housing  
17 credits under section 42 of the Internal Revenue Code of  
18 1986 (26 U.S.C. 42).

19 (c) REPORT.—Not later than 6 months after the date  
20 of enactment of this Act, the Comptroller General shall  
21 report to Congress the findings from the study required  
22 under subsection (a) and any recommendations for statu-  
23 tory, regulatory, or administrative changes.

1 **SEC. 23. EFFECTIVE DATE.**

2 Except as otherwise specifically provided in this  
3 Act—

4 (1) sections 3, 4, 6, and 7 of this Act and the  
5 amendments made by such sections shall take effect  
6 on January 1, 2010, except that the Secretary may  
7 delay such effective date for any one or more of sec-  
8 tions 3, 4, and 7 to January 1, 2011, upon a deter-  
9 mination by the Secretary that such extension is  
10 necessary to provide program participants sufficient  
11 time to make adjustments to the changes made by  
12 such sections; and

13 (2) all other provisions of this Act and the  
14 amendments made by this Act shall take effect upon  
15 the issuance by the Secretary of implementing regu-  
16 lations, as appropriate, or by notice, which shall be  
17 issued not later than the expiration of the 12-month  
18 period beginning upon the date of the enactment of  
19 this Act.