

110TH CONGRESS  
2D SESSION

# S. 2684

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

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## IN THE SENATE OF THE UNITED STATES

MARCH 3, 2008

Mr. DODD (for himself, Mr. SCHUMER, Mr. REED, Mr. MENENDEZ, and Mr. BROWN) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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## 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; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the  
5 “Section 8 Voucher Reform Act of 2008”.

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

- Sec. 1. Short title; 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. Performance assessments.
- Sec. 10. PHA project-based assistance.
- Sec. 11. Rent burdens.
- Sec. 12. Establishment of fair market rent.
- Sec. 13. Screening of applicants.
- Sec. 14. Enhanced vouchers.
- Sec. 15. Project-based preservation vouchers.
- Sec. 16. Demonstration program waiver authority.
- Sec. 17. Study to identify obstacles to using vouchers in federally subsidized housing projects.
- Sec. 18. Collection of data on tenants in projects receiving tax credits.
- Sec. 19. Agency authority for utility payments in certain circumstances.
- Sec. 20. Access to HUD programs for persons with limited English proficiency.
- Sec. 21. Authorization of appropriations.
- Sec. 22. Effective date.

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

2 (a) INSPECTION OF UNITS BY PHA'S.—Section  
 3 8(o)(8) of the United States Housing Act of 1937 (42  
 4 U.S.C. 1437f(o)(8)) is amended—

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

7 “(A) INITIAL INSPECTION.—

8 “(i) IN GENERAL.—For each dwelling  
 9 unit for which a housing assistance pay-  
 10 ment contract is established under this  
 11 subsection, the public housing agency (or  
 12 other entity pursuant to paragraph (11))  
 13 shall inspect the unit before any assistance  
 14 payment is made to determine whether the  
 15 dwelling unit meets the housing quality  
 16 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) PROJECTS RECEIVING CERTAIN  
25 FEDERAL HOUSING SUBSIDIES.—In the

1 case of any property that within the pre-  
2 vious 12 months has been determined to  
3 meet Federal housing quality and safety  
4 standards under any Federal housing pro-  
5 gram inspection standard equivalent to the  
6 standards under the program under this  
7 subsection, including the program under  
8 section 42 of the Internal Revenue Code of  
9 1986 or under subtitle A of title II of the  
10 Cranston Gonzalez National Affordable  
11 Housing Act, a public housing agency  
12 may—

13 “(I) authorize occupancy before  
14 the inspection under clause (i) has  
15 been completed; and

16 “(II) make assistance payments  
17 retroactive to the beginning of the  
18 lease term after the unit has been de-  
19 termined pursuant to an inspection  
20 under clause (i) to meet the housing  
21 quality standards under subparagraph  
22 (B), provided that such inspection is  
23 conducted pursuant to the require-  
24 ments of subparagraph (C).”;

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

3                   “(D) BIENNIAL INSPECTIONS.—

4                           “(i) REQUIREMENT.—Each public  
5                           housing agency providing assistance under  
6                           this subsection (or other entity, as pro-  
7                           vided in paragraph (11)) shall make, for  
8                           each assisted dwelling unit, inspections not  
9                           less than biennially during the term of the  
10                          housing assistance payments contract for  
11                          the unit to determine whether the unit is  
12                          maintained in accordance with the require-  
13                          ments under subparagraph (A). The agen-  
14                          cy (or other entity) shall retain the records  
15                          of the inspection for a reasonable time and  
16                          shall make the records available upon re-  
17                          quest to the Secretary, the Inspector Gen-  
18                          eral for the Department of Housing and  
19                          Urban Development, and any auditor con-  
20                          ducting an audit under section 5(h).

21                           “(ii) SUFFICIENT INSPECTION.—An  
22                           inspection of a property shall be sufficient  
23                           to comply with the inspection requirement  
24                           under clause (i) if—

1           “(I) the inspection was conducted  
2           pursuant to requirements under a  
3           Federal, State, or local housing assist-  
4           ance program (including the HOME  
5           Investment Partnerships Program  
6           under title II of the Cranston-Gon-  
7           zalez National Affordable Housing  
8           Act (42 U.S.C. 12721 et seq.) or the  
9           low-income housing tax credit under  
10          section 42 of the Internal Revenue  
11          Code of 1986); and

12           “(II) pursuant to such inspec-  
13          tion, the property was determined to  
14          meet the standards or requirements  
15          regarding housing quality or safety  
16          applicable to units assisted under such  
17          program, and if a non-Federal stand-  
18          ard was used, the public housing  
19          agency has certified to the Secretary  
20          that such standards or requirements  
21          provide the same protection to occu-  
22          pants of dwelling units meeting such  
23          standards or requirements as, or  
24          greater protection than, the housing

1                   quality standards under subparagraph  
2                   (B).”; and

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

5                   “(F) INTERIM INSPECTIONS.—Upon notifi-  
6                   cation by a family on whose behalf tenant-based  
7                   assistance is provided under this subsection,  
8                   that the dwelling unit for which such assistance  
9                   is provided does not comply with housing qual-  
10                  ity standards under subparagraph (B), the pub-  
11                  lic housing agency shall inspect the dwelling  
12                  unit—

13                  “(i) in the case of a life threatening  
14                  condition, within 24 hours of such notice;  
15                  and

16                  “(ii) in the case of any non-life threat-  
17                  ening condition, within 15 days of such no-  
18                  tice.

19                  “(G) ENFORCEMENT OF HOUSING QUALITY  
20                  STANDARDS.—

21                  “(i) DETERMINATION OF NONCOMPLI-  
22                  ANCE.—A dwelling unit that is covered by  
23                  a housing assistance payments contract  
24                  under this subsection shall be considered,  
25                  for purposes of this subparagraph, to be in

1 noncompliance with the housing quality  
2 standards under subparagraph (B) if—

3 “(I) the public housing agency or  
4 an inspector authorized by the State  
5 or unit of local government deter-  
6 mines upon inspection of the unit that  
7 the unit fails to comply with such  
8 standards;

9 “(II) the agency or inspector no-  
10 tifies the owner of the unit in writing  
11 of such failure to comply; and

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

14 “(aa) in the case of any  
15 such failure that is a result of a  
16 life threatening condition, within  
17 24 hours after receipt of such no-  
18 tice; and

19 “(bb) in the case of any fail-  
20 ure that is a result of a non-life  
21 threatening condition, within 30  
22 days after provision of such no-  
23 tice, or such other reasonable pe-  
24 riod as the public housing agency  
25 may establish.



1 “(ii) ABATEMENT OF ASSISTANCE.—

2 “(I) IN GENERAL.—A public  
3 housing agency providing assistance  
4 under this subsection shall abate such  
5 assistance with respect to any assisted  
6 dwelling unit that is determined to be  
7 in noncompliance with the housing  
8 quality standards under subparagraph  
9 (B). Upon a showing by the owner of  
10 the unit that sufficient repairs to the  
11 unit have been completed so that the  
12 unit complies with such housing qual-  
13 ity standards, the public housing  
14 agency may recommence payment of  
15 such assistance.

16 “(II) USE OF ABATED ASSIST-  
17 ANCE TO PAY FOR REPAIRS.—The  
18 public housing agency may use any  
19 assistance amounts abated pursuant  
20 to subclause (I) to make repairs or to  
21 contract for such repairs for life-  
22 threatening conditions, except that a  
23 contract to make repairs may not be  
24 entered into with the inspector for the  
25 dwelling unit.

1           “(iii) PROTECTION OF TENANTS.—If  
2 a public housing agency providing assist-  
3 ance under this subsection abates rental  
4 assistance payments under clause (ii), the  
5 public housing agency shall—

6                   “(I) notify the tenant—

7                           “(aa) when such abatement  
8 begins; and

9                           “(bb) at the start of the  
10 abatement period that if the unit  
11 is not brought into compliance  
12 within 120 days, the tenant will  
13 have to move; and

14                   “(II) issue the tenant the nec-  
15 essary forms to allow the tenant to  
16 move with their voucher to another  
17 housing unit; and

18                   “(III) use funds that otherwise  
19 would have gone to pay the rental  
20 amount, for the reasonable moving ex-  
21 penses or security deposit costs of the  
22 tenant.

23           “(iv) RIGHT OF THE TENANT TO TER-  
24 MINATE TENANCY.—During any period  
25 that housing assistance payments are

1 abated with respect to any assisted dwell-  
2 ing unit pursuant to this subparagraph,  
3 the tenant of such dwelling may terminate  
4 his or her tenancy without penalty by noti-  
5 fying the owner of the dwelling unit.

6 “(v) LIMITATION ON AUTHORITY OF  
7 AN OWNER.—An owner of a dwelling unit  
8 that is considered to be in noncompliance  
9 with the housing quality standards under  
10 subparagraph (B) may not terminate the  
11 tenancy of a tenant, or refuse to renew a  
12 lease for such unit, as a result of an abate-  
13 ment order carried out by a public housing  
14 agency under clause (ii).

15 “(vi) TERMINATION OF LEASE OR AS-  
16 SISTANCE PAYMENTS CONTRACTS.—If a  
17 public housing agency providing assistance  
18 under this subsection abates rental assist-  
19 ance payments under clause (ii) and the  
20 owner of the unit does not correct the non-  
21 compliance within 120 days after the effec-  
22 tive date of the determination of non-  
23 compliance under clause (i), the public  
24 housing agency shall terminate the housing  
25 assistance payment contract subject to

1 clause (vii). The termination of the hous-  
2 ing assistance payment contract shall ter-  
3 minate the lease agreement.

4 “(vii) RELOCATION OF TENANTS.—

5 “(I) 120-DAY PERIOD TO RELO-  
6 CATE.—The public housing agency  
7 shall provide to the individual or fam-  
8 ily residing in any unit whose lease is  
9 terminated under clause (vi) at least  
10 120 days beginning at the start of the  
11 abatement period to lease a new resi-  
12 dence with tenant-based assistance  
13 under this paragraph.

14 “(II) PREFERENCE IN CASE OF  
15 RELOCATION HARDSHIP.—If the indi-  
16 vidual or family residing in any unit  
17 whose lease is terminated under  
18 clause (vi) is unable to lease a new  
19 residence pursuant to subclause (I),  
20 the public housing agency shall pro-  
21 vide, at the option of the individual or  
22 family—

23 “(aa) additional search time  
24 to such individual or family; or

1                   “(bb) preference for occu-  
2                   pancy in a public housing unit  
3                   owned or operated by the public  
4                   housing agency.

5                   “(III) PROVISION OF REASON-  
6                   ABLE RELOCATION ASSISTANCE.—The  
7                   public housing agency shall provide  
8                   reasonable assistance to each indi-  
9                   vidual or family residing in any unit  
10                  whose lease is terminated under  
11                  clause (vi) in finding a new residence,  
12                  including the use of up to 2 months of  
13                  any assistance abated pursuant to  
14                  clause (ii) for relocation expenses, in-  
15                  cluding moving expenses and security  
16                  deposits. The public housing agency  
17                  may require that an individual or  
18                  family receiving assistance for a secu-  
19                  rity deposit, remit, to the extent of  
20                  such assistance, the amount of any se-  
21                  curity deposit refunded by the owner  
22                  of the unit for which the lease was  
23                  terminated.

24                  “(viii) TENANT CAUSED DAMAGES.—

25                  If a public housing agency determines that

1 the noncompliance of a dwelling unit was  
2 caused by a tenant, member of the tenant's  
3 family, or a guest of the tenant, the public  
4 housing agency may waive the applicability  
5 of this subparagraph.

6 “(ix) TREATMENT OF CERTAIN  
7 ABATEMENT ASSISTANCE.—Assistance  
8 amounts abated and used to make repairs  
9 or to contract for such repairs for life-  
10 threatening conditions pursuant to clause  
11 (ii)(II) or used for relocation assistance  
12 pursuant to clause (viii)(iv) shall be treat-  
13 ed as costs which shall be considered in de-  
14 termining the allocation of renewal funding  
15 under subsection (dd)(2).”.

16 (b) LEASING OF UNITS OWNED BY PHA'S.—Section  
17 8(o)(11) of the United States Housing Act of 1937 (42  
18 U.S.C. 1437f(o)(11)) is amended by striking “the Sec-  
19 retary shall require the unit of general local government  
20 or another entity approved by the Secretary,” and insert-  
21 ing “the public housing agency shall arrange for a third  
22 party”.

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)”; and

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

11 “(6) REVIEWS OF FAMILY INCOME.—

12 “(A) FREQUENCY.—Reviews of family in-  
13 come for purposes of this section—

14 “(i) shall be made in the case of all  
15 families, upon the initial provision of hous-  
16 ing assistance for the family;

17 “(ii) shall be made annually there-  
18 after, except as provided in subparagraph  
19 (B)(i);

20 “(iii) shall be made upon the request  
21 of the family, at any time the income or  
22 deductions (under subsection (b)(5)) of the  
23 family change by an amount that is esti-  
24 mated to result in a decrease of \$1,000 (or  
25 such lower amount as the public housing  
26 agency or owner may, at the option of the

1 agency or owner, establish) or more in an-  
2 nual adjusted income;

3 “(iv) shall be made at any time the  
4 income or deductions (under subsection  
5 (b)(5)) of the family change by an amount  
6 that is estimated to result in an increase of  
7 \$1,000 or more in annual adjusted income,  
8 except that any increase in the earned in-  
9 come of a family shall not be considered  
10 for purposes of this clause (except that  
11 earned income may be considered if the in-  
12 crease corresponds to previous decreases  
13 under clause (iii)), except that a public  
14 housing agency or owner may elect not to  
15 conduct such review in the last 3 months  
16 of a certification period; and

17 “(v) may be made, in the discretion of  
18 the public housing agency, when the in-  
19 come of a family, including earned income,  
20 changes in an amount that is less than the  
21 amounts specified in clause (iii) or (iv), if  
22 the amount so specified for increases is not  
23 lower than the amount specified for de-  
24 creases.

25 “(B) FIXED-INCOME FAMILIES.—



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

18           “(ii) ELIGIBLE FAMILIES.—A family  
19 described in this clause is a family who has  
20 an income, as of the most recent review  
21 pursuant to subparagraph (A) or clause (i)  
22 of this subparagraph, of which 90 percent  
23 or more consists of fixed income, as such  
24 term is defined in clause (iii).

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

4           “(I) the supplemental security in-  
5 come program under title XVI of the  
6 Social Security Act, including supple-  
7 mentary payments pursuant to an  
8 agreement for Federal administration  
9 under section 1616(a) of the Social  
10 Security Act and payments pursuant  
11 to an agreement entered into under  
12 section 212(b) of Public Law 93–66;

13           “(II) Social Security payments;

14           “(III) Federal, State, local and  
15 private pension plans; and

16           “(IV) other periodic payments re-  
17 ceived from annuities, insurance poli-  
18 cies, retirement funds, disability or  
19 death benefits, and other similar types  
20 of periodic receipts.

21           “(C) IN GENERAL.—Reviews of family in-  
22 come for purposes of this section shall be sub-  
23 ject to the provisions of section 904 of the  
24 Stewart B. McKinney Homeless Assistance  
25 Amendments Act of 1988.

1 “(7) CALCULATION OF INCOME.—

2 “(A) USE OF PRIOR YEAR’S OR ANTICI-  
3 PATED INCOME.—In determining the income of  
4 a family for purposes of paragraph (6)(A)(ii) or  
5 (6)(B)(i), a public housing agency or owner  
6 shall use the income of the family as deter-  
7 mined by the agency or owner for the preceding  
8 year. In determining the income of a family  
9 under clauses (i), (iii), (iv), or (v) of paragraph  
10 (6)(A) a public housing agency or owner shall  
11 use the anticipated income of the family as esti-  
12 mated by the agency or owner for the coming  
13 year.

14 “(B) INFLATIONARY ADJUSTMENT FOR  
15 FIXED INCOME FAMILIES.—If, for any year, a  
16 public housing agency or owner determines the  
17 income for any family described in paragraph  
18 (6)(B)(ii), based on a review of the income of  
19 the family conducted during a preceding year,  
20 such income shall be adjusted by applying an  
21 inflationary factor as the Secretary shall, by  
22 regulation, establish.

23 “(C) SAFE HARBOR.—A public housing  
24 agency or owner may, to the extent such infor-  
25 mation is available to the public housing agency

1 or owner, determine the family's income for  
2 purposes of this section based on timely income  
3 determinations made for purposes of other  
4 means-tested Federal public assistance pro-  
5 grams (including the program for block grants  
6 to States for temporary assistance for needy  
7 families under part A of title IV of the Social  
8 Security Act, a program for Medicaid assistance  
9 under a State plan approved under title XIX of  
10 the Social Security Act, and the Food Stamp  
11 Program as defined in section 3(h) of the Food  
12 Stamp Act of 1977). The Secretary shall work  
13 with other appropriate Federal agencies to de-  
14 velop procedures to enable public housing agen-  
15 cies and owners to have access to such income  
16 determinations made by other Federal pro-  
17 grams.

18 “(D) PHA AND OWNER COMPLIANCE.—A  
19 public housing agency or owner may not be con-  
20 sidered to fail to comply with this paragraph or  
21 paragraph (6) due solely to any de minimis er-  
22 rors made by the agency or owner in calculating  
23 family incomes.”;

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

1           (3) by redesignating subsection (f) as sub-  
2           section (d).

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

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

7           “(4) INCOME.—The term ‘income’ means, with  
8           respect to a family, income received from all sources  
9           by each member of the household who is 18 years  
10          of age or older or is the head of household or spouse  
11          of the head of the household, plus unearned income  
12          by or on behalf of each dependent who is less than  
13          18 years of age, as determined in accordance with  
14          criteria prescribed by the Secretary, in consultation  
15          with the Secretary of Agriculture, subject to the fol-  
16          lowing requirements:

17                 “(A) INCLUDED AMOUNTS.—Such term in-  
18                 cludes recurring gifts and receipts, actual in-  
19                 come from assets, and profit or loss from a  
20                 business.

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

23                         “(i) imputed return on assets;

24                         “(ii) amounts that would be eligible  
25                         for exclusion under section 1613(a)(7) of

1 the Social Security Act (42 U.S.C.  
2 1382b(a)(7)); and

3 “(iii) deferred Veterans Administra-  
4 tion disability benefits that are received in  
5 a lump sum amount or in prospective  
6 monthly amounts.

7 “(C) EARNED INCOME OF STUDENTS.—  
8 Such term does not include earned income of  
9 any dependent earned during any period that  
10 such dependent is attending school on a full-  
11 time basis or any grant-in-aid or scholarship  
12 amounts related to such attendance used for  
13 the cost of tuition or books.

14 “(D) EDUCATIONAL SAVINGS ACCOUNTS.—  
15 Income shall be determined without regard to  
16 any amounts in or from, or any benefits from,  
17 any Coverdell Education Savings Account under  
18 section 530 of the Internal Revenue Code of  
19 1986 or any qualified tuition program under  
20 section 529 of such Code.

21 “(E) OTHER EXCLUSIONS.—Such term  
22 shall not include other exclusions from income  
23 as are established by the Secretary or any  
24 amount required by Federal law to be excluded  
25 from consideration as income. The Secretary

1           may not require a public housing agency or  
2           owner to maintain records of any amounts ex-  
3           cluded from income pursuant to this subpara-  
4           graph.”; and

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

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

13                 “(A) ELDERLY AND DISABLED FAMI-  
14                 LIES.—\$700 in the case of any family that is  
15                 an elderly family or a disabled family.

16                 “(B) DEPENDENTS.—In the case of any  
17                 family that includes a member or members  
18                 who—

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

22                         “(ii) is a person with disabilities who  
23                         is 18 years of age or older and resides in  
24                         the household,

25                         \$480 for each such member.

1           “(C) EARNED INCOME DISREGARD.—An  
2 amount equal to 10 percent of the lesser of the  
3 family’s earned income or \$9,000.

4           “(D) CHILD CARE.—The amount, if any,  
5 exceeding 5 percent of annual income used to  
6 pay for childcare for preschool age children, for  
7 before- or after-care for children in school, or  
8 for other childcare necessary to enable a mem-  
9 ber of the family to be employed or further his  
10 or her education.

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

14           “(i) in the case of any elderly or dis-  
15 abled family, any unreimbursed health and  
16 medical care expenses; and

17           “(ii) any unreimbursed reasonable at-  
18 tendant care and auxiliary apparatus ex-  
19 penses for each handicapped member of  
20 the family, to the extent necessary to en-  
21 able any member of such family to be em-  
22 ployed.

23           “(F) PERMISSIVE DEDUCTIONS.—Such ad-  
24 ditional deductions as a public housing agency  
25 or owner may, at its discretion, establish, except



1           that the Secretary shall establish procedures to  
2           ensure that such deductions do not increase  
3           Federal expenditures.

4           The Secretary shall annually adjust the amounts of  
5           the deductions under subparagraphs (A) and (B), as  
6           such amounts may have been previously adjusted, by  
7           applying an inflationary factor as the Secretary  
8           shall, by regulation, establish. If the dollar amount  
9           of any such deduction determined for any year by  
10          applying such inflationary factor is not a multiple of  
11          \$25, the Secretary shall round such amount to the  
12          next lowest multiple of \$25, except that in no in-  
13          stance shall the dollar amount of any such deduction  
14          be less than the initial amount of the deduction es-  
15          tablished under subparagraphs (A) and (B). The  
16          Secretary shall annually adjust the fixed numerical  
17          dollar amount under subparagraph (C) (\$9,000 as of  
18          the date of enactment of the Section 8 Voucher Re-  
19          form Act of 2008), as such amount may have been  
20          previously adjusted, by applying an inflationary fac-  
21          tor as the Secretary shall, by regulation, establish.  
22          If such dollar amount determined for any year by  
23          applying such inflationary factor is not a multiple of  
24          \$1,000, the Secretary shall round such amount to  
25          the next lowest multiple of \$1,000.”.

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 (6) and (7) 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 and inserting “annual adjusted income”.

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

24 (f) IMPACT ON PUBLIC HOUSING REVENUES.—

1           (1) INTERACTION WITH ASSET MANAGEMENT  
2           RULE.—If a public housing agency determines that  
3           the application of the amendments made by this sec-  
4           tion results in a net reduction in the dwelling rental  
5           income of the public housing agency and such reduc-  
6           tion in the first quarter of a calendar year is pro-  
7           jected to be more than one-half percent of the net  
8           dwelling rents received by the public housing agency  
9           during the preceding calendar year, the public hous-  
10          ing agency may, any time prior to April 15th of each  
11          year following the effective date of the amendments  
12          made by this section, certify to the Secretary of  
13          Housing and Urban Development the anticipated net  
14          reduction in annual dwelling rental income and the  
15          Secretary, within 45 days of receipt of such state-  
16          ment, shall reimburse the agency from funds appro-  
17          priated for operating assistance under section 9(e) of  
18          the United States Housing Act of 1937 (42 U.S.C.  
19          1437g(e)) if such funds are available. Each public  
20          housing agency so assisted shall maintain the books,  
21          documents, papers, and records supporting the cer-  
22          tification submitted to the Secretary and such mate-  
23          rials shall be available for review and audit by the  
24          Secretary and by the Comptroller General of the  
25          United States and their authorized representatives.

1           (2) HUD REPORTS ON PUBLIC HOUSING REV-  
2           ENUE IMPACT.—For each of fiscal years 2009 and  
3           2010, the Secretary of Housing and Urban Develop-  
4           ment shall submit a report to Congress identifying  
5           and calculating the impact of changes made by the  
6           amendments made by this section on the revenues  
7           and costs of operating public housing units.

8           (3) EFFECTIVE DATE.—This subsection shall  
9           take effect during the first year that the amend-  
10          ments made by this section are effective.

11          (g) ACCESS TO INFORMATION.—Section 904(2)(C) of  
12          the Stewart B. McKinney Homeless Assistance Amend-  
13          ments Act of 1988 (42 U.S.C. 3544) is amended by strik-  
14          ing the period and inserting the following: “, and each ap-  
15          plicant or participant, or the authorized representative  
16          thereof, shall have the opportunity to examine all informa-  
17          tion obtained for purposes of verifying the applicant or  
18          participant’s eligibility for or levels of benefits.”.

19          **SEC. 4. ELIGIBILITY FOR ASSISTANCE BASED ON ASSETS**  
20    **AND INCOME.**

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

24           “(e) ELIGIBILITY FOR ASSISTANCE BASED ON AS-  
25          SETS.—

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

7           “(A) whose net family assets exceed  
8 \$100,000, as such amount is adjusted annually  
9 by applying an inflationary factor as the Sec-  
10 retary considers appropriate; or

11           “(B) who has a present ownership interest  
12 in, and a legal right to reside in, real property  
13 that is suitable for occupancy as a residence,  
14 except that the prohibition under this subpara-  
15 graph shall not apply to—

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

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

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

22           “(2) NET FAMILY ASSETS.—

23           “(A) IN GENERAL.—For purposes of this  
24 subsection, the term ‘net family assets’ means,  
25 for all members of the household, the net cash

1 value of all assets after deducting reasonable  
2 costs that would be incurred in disposing of real  
3 property, savings, stocks, bonds, and other  
4 forms of capital investment. Such term does not  
5 include interests in Indian trust land, equity in  
6 real property to which the prohibition under  
7 paragraph (1)(B) does not apply, savings ac-  
8 counts in homeownership programs of the De-  
9 partment of Housing and Urban Development,  
10 or Family Self-Sufficiency program accounts.

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

13 “(i) necessary items of personal prop-  
14 erty, such as furniture and automobiles, as  
15 the public housing agency may determine  
16 for purposes of the voucher and public  
17 housing programs, and as the Secretary  
18 shall determine for purposes of other Fed-  
19 eral housing programs;

20 “(ii) the value of any retirement ac-  
21 count;

22 “(iii) any amounts recovered in any  
23 civil action or settlement based on a claim  
24 of malpractice, negligence, or other breach  
25 of duty owed to a member of the family

1 and arising out of law, that resulted in a  
2 member of the family being disabled; and

3 “(iv) the value of any Coverdell Edu-  
4 cation Savings Account under section 530  
5 of the Internal Revenue Code of 1986 or  
6 any qualified tuition program under sec-  
7 tion 529 of such Code.

8 “(C) TRUST FUNDS.—In cases where a  
9 trust fund has been established and the trust is  
10 not revocable by, or under the control of, any  
11 member of the family or household, the value of  
12 the trust fund shall not be considered an asset  
13 of a family if the fund continues to be held in  
14 trust. Any income distributed from the trust  
15 fund shall be considered income for purposes of  
16 section 3(b) and any calculations of annual  
17 family income, except in the case of medical ex-  
18 penses for a minor.

19 “(D) SELF-CERTIFICATION.—A public  
20 housing agency or owner may determine the net  
21 assets of a family, for purposes of this section,  
22 based on the amounts reported by the family at  
23 the time the agency or owner reviews the fam-  
24 ily’s income.

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

9           “(4) AUTHORITY TO DELAY EVICTIONS.—In the  
10 case of a family residing in a dwelling unit assisted  
11 under this Act who does not comply with the limita-  
12 tion under paragraph (1), the public housing agency  
13 or project owner may—

14                 “(A) delay eviction or termination of the  
15 family, based on such noncompliance for a pe-  
16 riod of not more than 6 months; and

17                 “(B) continue to provide assistance to the  
18 family if the family rectifies its noncompliance  
19 with such limitation during the period of delay  
20 described under subparagraph (A).”.

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 2008 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. Public housing agen-  
13 cies and owners shall determine whether a family re-  
14 ceiving assistance under this Act is a low-income  
15 family at the time of recertification based on the  
16 highest area median income determined by the Sec-  
17 retary for the area since the family began receiving  
18 assistance under this Act. When recertifying family  
19 income with respect to families residing in public  
20 housing dwelling units, a public housing agency may,  
21 in the discretion of the agency and only pursuant to  
22 a policy that is set forth in the public housing agen-  
23 cy plan under section 5A for the agency, choose not  
24 to enforce the prohibition under the preceding sen-  
25 tence. When recertifying family income with respect

1 to families residing in dwelling units for which  
2 project-based assistance is provided, a project owner  
3 may, in the owner’s discretion and only pursuant to  
4 a policy adopted by such owner, choose not to en-  
5 force such prohibition. In the case of a family resid-  
6 ing in a dwelling unit assisted under this Act who  
7 does not comply with the prohibition under the first  
8 sentence of this paragraph or the prohibition in sec-  
9 tion 8(o)(4), the public housing agency or project  
10 owner may delay eviction or termination of the fam-  
11 ily, based on such noncompliance for a period of not  
12 more than 6 months and may continue to provide  
13 assistance to the family if the family rectifies its  
14 noncompliance with such limitation during this pe-  
15 riod of delay.”;

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

19 “(4) ELIGIBLE FAMILIES.—Assistance under  
20 this subsection may be provided, whether initially or  
21 at each recertification, only pursuant to subsection  
22 (t) to a family eligible for assistance under such sub-  
23 section or to a family who at the time of such initial  
24 or continued assistance, respectively, is a low-income  
25 family that is—”; and

1           (3) in section 8(c)(4) (42 U.S.C. 1437f(c)(4)),  
2           by striking “at the time it initially occupied such  
3           dwelling unit” and insert “according to the restric-  
4           tions under section 3(a)(1)”.

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

7           (a) **VOUCHERS.**—Section 16(b)(1) of the United  
8 States Housing Act of 1937 (42 U.S.C. 1437n(b)(1)) is  
9 amended—

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

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

21           (b) **PUBLIC HOUSING.**—Section 16(a)(2)(A) of the  
22 United States Housing Act of 1937 (42 U.S.C.  
23 1437n(a)(2)(A)) is amended—

24           (1) by inserting after “do not exceed” the fol-  
25           lowing: “the higher of (i) the poverty line (as such

1 term is defined in section 673 of the Omnibus Budg-  
 2 et Reconciliation Act of 1981 (42 U.S.C. 9902), in-  
 3 cluding any revision required by such section) appli-  
 4 cable to a family of the size involved, or (ii)”; and

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

10 (c) PROJECT-BASED SECTION 8 ASSISTANCE.—Sec-  
 11 tion 16(b)(1) of the United States Housing Act of 1937  
 12 (42 U.S.C. 1437n(b)(1)) is amended—

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

19 (2) by inserting before the period at the end the  
 20 following: “; and except that clause (A) of this sen-  
 21 tence shall not apply in the case of projects located  
 22 in Puerto Rico or any other territory or possession  
 23 of the United States”.

1 **SEC. 6. VOUCHER RENEWAL FUNDING.**

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

6 “(dd) TENANT-BASED VOUCHERS.—

7 “(1) AUTHORIZATION OF APPROPRIATIONS.—

8 There are authorized to be appropriated, for each of  
9 fiscal years 2009 through 2013, such sums as may  
10 be necessary for tenant-based assistance under sub-  
11 section (o) for the following purposes:

12 “(A) To renew all expiring annual con-  
13 tributions contracts for tenant-based rental as-  
14 sistance.

15 “(B) To provide tenant-based rental assist-  
16 ance for—

17 “(i) relocation and replacement of  
18 housing units that are demolished or dis-  
19 posed of pursuant to the Omnibus Consoli-  
20 dated Rescissions and Appropriations Act  
21 of 1996 (Public Law 104–134);

22 “(ii) conversion of section 23 projects  
23 to assistance under this section;

24 “(iii) the family unification program  
25 under subsection (x) of this section;

1           “(iv) relocation of witnesses in con-  
2           nection with efforts to combat crime in  
3           public and assisted housing pursuant to a  
4           request from a law enforcement or pros-  
5           ecution agency;

6           “(v) enhanced vouchers authorized  
7           under subsection (t) of this section;

8           “(vi) relocation and replacement of  
9           public housing units that are demolished or  
10          disposed of in connection with the HOPE  
11          VI program under section 24;

12          “(vii) relocation and replacement of  
13          vouchers used to preserve public housing  
14          developed from sources other than under  
15          section 9 of the United States Housing Act  
16          of 1937 (42 U.S.C. 1437g);

17          “(viii) mandatory conversions of pub-  
18          lic housing to vouchers, pursuant to sec-  
19          tions 33 of the United States Housing Act  
20          of 1937 (42 U.S.C. 1437z-5);

21          “(ix) voluntary conversion of public  
22          housing to vouchers pursuant to section 22  
23          of the United States Housing Act of 1937  
24          (42 U.S.C. 1437t);

1           “(x) vouchers necessary to comply  
2 with a consent decree or court order;

3           “(xi) relocation and replacement of  
4 public housing units that are demolished or  
5 disposed of pursuant to eminent domain,  
6 homeownership programs, in connection  
7 with a mixed-finance project under section  
8 35 of the United States Housing Act of  
9 1937 (42 U.S.C. 1437z-7), or otherwise;

10           “(xii) vouchers to replace dwelling  
11 units that cease to receive project-based  
12 assistance under subsection (b), (c), (d),  
13 (e), or (v) of this section;

14           “(xiii) vouchers used to preserve pub-  
15 lic housing developed from sources other  
16 than under section 9 of the United States  
17 Housing Act of 1937 (42 U.S.C. 1437g);

18           “(xiv) tenant protection assistance, in-  
19 cluding replacement and relocation assist-  
20 ance; and

21           “(xv) emergency voucher assistance  
22 for the protection of victims of domestic vi-  
23 olence, dating violence, sexual assault, or  
24 stalking.

1 Subject only to the availability of sufficient  
2 amounts provided in appropriation Acts, the  
3 Secretary shall provide tenant-based rental as-  
4 sistance to replace all dwelling units that cease  
5 to be available as assisted housing as a result  
6 of clause (i), (ii), (v), (vi), (vii), (viii), (xi), (xii),  
7 or (xiii).

8 “(2) ALLOCATION OF RENEWAL FUNDING  
9 AMONG PUBLIC HOUSING AGENCIES.—

10 “(A) From amounts appropriated for each  
11 year pursuant to paragraph (1)(A), the Sec-  
12 retary shall provide renewal funding for each  
13 public housing agency—

14 “(i) based on leasing and cost data  
15 from the preceding calendar year, as ad-  
16 justed by an annual adjustment factor to  
17 be established by the Secretary, which shall  
18 be established using the smallest geo-  
19 graphical areas for which data on changes  
20 in rental costs are annually available;

21 “(ii) by making any adjustments nec-  
22 essary to provide for—

23 “(I) the first-time renewal of  
24 vouchers funded under paragraph  
25 (1)(B); and



1                   “(II) any incremental vouchers  
2                   funded in previous years;

3                   “(iii) by making any adjustments nec-  
4                   essary for full-year funding of vouchers  
5                   moved into or out of the jurisdiction of the  
6                   public housing agency in the prior calendar  
7                   year pursuant to the portability procedures  
8                   under subsection (r)(2); and

9                   “(iv) by making such other adjust-  
10                  ments as the Secretary considers appro-  
11                  priate, including adjustments necessary to  
12                  address changes in voucher utilization  
13                  rates and voucher costs related to natural  
14                  and other major disasters.

15                  “(B) LEASING AND COST DATA.—For pur-  
16                  poses of subparagraph (A)(i), leasing and cost  
17                  data shall be calculated annually by using the  
18                  average for the preceding calendar year. Such  
19                  leasing and cost data shall be adjusted to in-  
20                  clude vouchers that were set aside under a com-  
21                  mitment to provide project-based assistance  
22                  under subsection (o)(13) and to exclude  
23                  amounts funded through advances under para-  
24                  graph (3). Such leasing and cost data shall not  
25                  include funds not appropriated for tenant-based

1 assistance under section 8(o), unless the agen-  
2 cy's funding was prorated in the prior year and  
3 the agency used other funds to maintain vouch-  
4 ers in use.

5 “(C) OVERLEASING.—For the purpose of  
6 determining allocations under subsection (A)(i),  
7 the leasing rate calculated for the prior cal-  
8 endar year may exceed an agency's authorized  
9 voucher level, except that such calculation shall  
10 not include amounts resulting from a leasing  
11 rate in excess of 103 percent of an agency's au-  
12 thorized vouchers in the prior year which re-  
13 sults from the use of accumulated amounts, as  
14 referred to in paragraph (4)(A).

15 “(D) MOVING TO WORK.—Notwithstanding  
16 subparagraphs (A) and (B), each public hous-  
17 ing agency participating in any year in the mov-  
18 ing to work demonstration under section 204 of  
19 the Departments of Veterans Affairs and Hous-  
20 ing and Urban Development, and Independent  
21 Agencies Appropriations Act, 1996 (42 U.S.C.  
22 1437f note) shall be—

23 “(i) funded pursuant to its agreement  
24 under such program, if such agreement in-

1 cludes an alternate to the provisions of this  
2 subsection; and

3 “(ii) subject to any pro rata adjust-  
4 ment made under subparagraph (E)(i).

5 “(E) PRO RATA ALLOCATION.—

6 “(i) INSUFFICIENT FUNDS.—To the  
7 extent that amounts made available for a  
8 fiscal year are not sufficient to provide  
9 each public housing agency with the full al-  
10 location for the agency determined pursu-  
11 ant to subparagraphs (A) and (D), the  
12 Secretary shall reduce such allocation for  
13 each agency on a pro rata basis, except  
14 that renewal funding of enhanced vouchers  
15 under section 8(t) shall not be subject to  
16 such proration.

17 “(ii) EXCESS FUNDS.—To the extent  
18 that amounts made available for a fiscal  
19 year exceed the amount necessary to pro-  
20 vide each housing agency with the full allo-  
21 cation for the agency determined pursuant  
22 to subparagraphs (A) and (D), such excess  
23 amounts shall be used for the purposes  
24 specified in subparagraphs (B) and (C) of  
25 paragraph (4).

1           “(F) PROMPT FUNDING ALLOCATION.—

2           The Secretary shall allocate all funds under this  
3           subsection for each year before the latter of (i)  
4           February 15, or (ii) the expiration of the 45-  
5           day period beginning upon the enactment of the  
6           appropriations Act funding such renewals.

7           “(3) ADVANCES.—

8           “(A) AUTHORITY.—During the last 3  
9           months of each calendar year, the Secretary  
10          shall provide funds out of any appropriations  
11          made under paragraph (1) for the fiscal year  
12          beginning on October 1 of that calendar year,  
13          to any public housing agency, at the request of  
14          the agency, in an amount up to 2 percent of the  
15          allocation for the agency for such calendar year,  
16          subject to subparagraph (C).

17          “(B) USE.—Amounts advanced under sub-  
18          paragraph (A) may be used to pay for addi-  
19          tional voucher costs, including costs related to  
20          temporary overleasing.

21          “(C) USE OF PRIOR YEAR AMOUNTS.—  
22          During the last 3 months of a calendar year, if  
23          amounts previously provided to a public housing  
24          agency for tenant-based assistance for such

1 year or for previous years remain unobligated  
2 and available to the agency—

3 “(i) the agency shall exhaust such  
4 amounts to cover any additional voucher  
5 costs under subparagraph (B) before  
6 amounts advanced under subparagraph (A)  
7 may be so used; and

8 “(ii) the amount that may be ad-  
9 vanced under subparagraph (A) to the  
10 agency shall be reduced by an amount  
11 equal to the total of such previously pro-  
12 vided and unobligated amounts.

13 “(D) REPAYMENT.—Amounts advanced  
14 under subparagraph (A) in a calendar year  
15 shall be repaid to the Secretary in the subse-  
16 quent calendar year by reducing the amounts  
17 made available for such agency for such subse-  
18 quent calendar year pursuant to allocation  
19 under paragraph (2) by an amount equal to the  
20 amount so advanced to the agency.

21 “(4) OFFSET.—

22 “(A) IN GENERAL.—The Secretary shall  
23 offset, from amounts provided under the annual  
24 contributions contract for a public housing  
25 agency for a calendar year, all accumulated

1 amounts allocated under paragraph (2) and  
2 from previous years that are unused by the  
3 agency at the end of each calendar year ex-  
4 cept—

5 “(i) with respect to the offset under  
6 this subparagraph at the end of 2008, an  
7 amount equal to 12.5 percent of the  
8 amount allocated to the public housing  
9 agency for such year pursuant to para-  
10 graph (2)(A);

11 “(ii) with respect to the offset under  
12 this subparagraph at the end of 2009, an  
13 amount equal to 7.5 percent of the amount  
14 allocated to the public housing agency for  
15 such year pursuant to paragraph (2)(A);  
16 and

17 “(iii) with respect to the offset under  
18 this subparagraph at the end of each of  
19 2010, 2011, and 2012, an amount equal to  
20 5 percent of such amount allocated to the  
21 agency for such year. Notwithstanding any  
22 other provision of law, each public housing  
23 agency may retain all amounts not author-  
24 ized to be offset under this subparagraph,  
25 and may use such amounts for all author-

1            ized purposes. Funds initially allocated  
2            prior to the effective date of the Section 8  
3            Voucher Reform Act of 2008 for the pur-  
4            poses specified in paragraph (1)(B) shall  
5            not be included in the calculation of accu-  
6            mulated amounts subject to offset under  
7            this paragraph.

8            “(B) REALLOCATION.—Not later than May  
9            1 of each calendar year, the Secretary shall—

10            “(i) calculate the aggregate savings  
11            due to the offset of unused amounts for  
12            the preceding year recaptured pursuant to  
13            subparagraph (A);

14            “(ii) set aside such amounts as the  
15            Secretary considers likely to be needed to  
16            reimburse public housing agencies for in-  
17            creased costs related to portability and  
18            family self-sufficiency activities during  
19            such year, which amounts shall be made  
20            available for allocation upon submission of  
21            a request that meets criteria prescribed by  
22            the Secretary; and

23            “(iii) reallocate all remaining amounts  
24            among public housing agencies, with pri-  
25            ority given based on the extent to which an

1           agency has utilized the amount allocated  
 2           under paragraph (2) for the agency to  
 3           serve eligible families, as well as the rel-  
 4           ative need of communities for additional  
 5           assistance under this subsection.

6           “(C) USE.—Amounts reallocated to a pub-  
 7           lic housing agency pursuant to subparagraph  
 8           (B)(iii) may be used only to increase voucher  
 9           leasing rates to the level eligible for renewal  
 10          funding under paragraph (2)(C).”.

11          (b) ABSORPTION OF VOUCHERS FROM OTHER AGEN-  
 12          CIES.—

13           (1) IN GENERAL.—Section 8(r)(2) of the  
 14          United States Housing Act of 1937 (42 U.S.C.  
 15          1437f(r)(2)) is amended—

16           (A) by striking “The public housing agen-  
 17          cy” and inserting “(A) IN GENERAL.—The pub-  
 18          lic housing agency”; and

19           (B) by adding the end the following:

20           “(B) ABSORPTION AND PRIORITY.—

21           “(i) IN GENERAL.—The public hous-  
 22          ing agency shall—

23           “(I) absorb any family that  
 24          moves under this subsection into its  
 25          program for voucher assistance under



1 this section after the initial month,  
2 except that the Secretary may limit  
3 the absorption of vouchers in excess of  
4 a public housing agency's authorized  
5 level if the Secretary makes the deter-  
6 mination under subparagraph (C) that  
7 there is insufficient funding for such  
8 vouchers in the current year; and

9 “(II) have priority to receive ad-  
10 ditional funding from the Secretary  
11 for the net additional cost of housing  
12 assistance provided pursuant to this  
13 requirement from amounts made  
14 available pursuant to subsection  
15 (dd)(4)(B) or otherwise, except that  
16 the obligation to absorb vouchers  
17 under subclause (I) does not override  
18 any provision of a judgement, consent  
19 decree, contract with the Secretary  
20 pursuant to section 3(b)(6), or any  
21 other similar arrangement under  
22 which the public housing agency ad-  
23 ministers voucher assistance under  
24 this section without regard to any

1                   other applicable limitation on the pub-  
2                   lic housing agency’s area of operation.

3                   “(ii) NO DELAY OF VOUCHERS FOR  
4                   FAMILIES ON WAITING LIST.—The Sec-  
5                   retary shall provide the funding required to  
6                   carry out the activities under clause (i) as  
7                   needed for a public housing agency to meet  
8                   its obligation under this subparagraph  
9                   without delaying issuance of vouchers to  
10                  families on its waiting list.

11                  “(C) EXCEPTION.—If in any fiscal year,  
12                  the Secretary does not have sufficient funds  
13                  available under subsection (dd)(4)(B) or that  
14                  otherwise may be used for the purposes of this  
15                  subsection, the Secretary shall suspend the re-  
16                  quirement described in subparagraph (B). Such  
17                  suspension shall take effect no earlier than 60  
18                  days after the Secretary provides notice of the  
19                  suspension by electronic mail to all public hous-  
20                  ing agencies and to the public by posting of the  
21                  notice on the website of the Department. The  
22                  obligation of the Secretary to fund vouchers ab-  
23                  sorbed under subparagraph (B) shall continue  
24                  for all vouchers that are leased prior to the ef-  
25                  fective date of such suspension.”.

1           (2) TRANSITION.—The amendments made by  
2 paragraph (1) shall take effect January 1, 2010,  
3 provided that in each calendar quarter of 2010 and  
4 2011, a public housing agency shall absorb no more  
5 than one-eighth of the vouchers subject to absorp-  
6 tion on such effective date of each public housing  
7 agency that is providing assistance for the vouchers  
8 on such effective date. Public housing agencies may  
9 by mutual agreement alter the absorption rate estab-  
10 lished in the previous sentence.

11           (3) REPORT TO CONGRESS.—Not later than  
12 May 1, 2009, the Secretary of Housing and Urban  
13 Development shall provide to Congress an estimate  
14 of the net additional cost to the Department of  
15 Housing and Urban Development in the first year of  
16 implementation of the new requirements added by  
17 the amendments made in paragraph (1), and of the  
18 savings likely to be available in 2010 and 2011 as  
19 a result of the reduction in the permitted level of re-  
20 tained funds under subsection (dd)(4)(A) of section  
21 8 of the United States Housing Act of 1937 (42  
22 U.S.C. 1437f(dd)(4)(A)).

23           (c) VOUCHERS FOR PERSONS WITH DISABILITIES.—  
24 The Secretary of Housing and Urban Development shall  
25 develop and issue, to public housing agencies that received

1 voucher assistance under section 8(o) for non-elderly dis-  
2 abled families pursuant to appropriations Acts, guidance  
3 to ensure that, to the maximum extent practicable, such  
4 vouchers continue to be provided upon turnover to quali-  
5 fied non-elderly disabled families.

6 **SEC. 7. ADMINISTRATIVE FEES.**

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

9 (1) in paragraph (1)—

10 (A) by amending subparagraphs (B) and  
11 (C) to read as follows:

12 “(B) CALCULATION.—The fee under this  
13 subsection shall—

14 “(i) be payable to each public housing  
15 agency for each month for which a dwell-  
16 ing unit is covered by an assistance con-  
17 tract;

18 “(ii) be based on the per unit fee pay-  
19 able to the agency in fiscal year 2003, up-  
20 dated for each subsequent year as specified  
21 in subsection (iv), unless the Secretary es-  
22 tablishes by rulemaking a revised method  
23 of calculating the per unit fee for each  
24 agency, which method—

1                   “(I) shall otherwise comply with  
2                   this subparagraph; and

3                   “(II) may include performance  
4                   incentives, consistent with subsection  
5                   (o)(21);

6                   “(iii) include an amount for the cost  
7                   of issuing vouchers to new participants  
8                   who lease units in the jurisdiction of the  
9                   agency or in another jurisdiction under the  
10                  procedures established in subsection (r);

11                  “(iv) be updated each year using an  
12                  index of changes in wage data or other ob-  
13                  jectively measurable data that reflect the  
14                  costs of administering the program for  
15                  such assistance, as determined by the Sec-  
16                  retary; and

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

20                  “(C) PUBLICATION.—The Secretary shall  
21                  cause to be published in the Federal Register  
22                  the fee rate for each geographic area.”; and

23                  (B) by striking subparagraph (E); and

24                  (2) in paragraph (4), by striking “1999” and  
25                  inserting “2008”.

1           (b) ADMINISTRATIVE FEES FOR FAMILY SELF-SUF-  
2 FICIENCY PROGRAM COSTS.—Subsection (h) of section 23  
3 of the United States Housing Act of 1937 (42 U.S.C.  
4 1437u(h)) is amended by striking paragraph (1) and in-  
5 serting the following new paragraph:

6           “(1) SECTION 8 FEES.—

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

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

15                           “(i) BASE FEE.—A public housing  
16 agency serving 25 or more participants in  
17 the Family Self-Sufficiency program under  
18 this section shall receive a fee equal to the  
19 costs of employing 1 full-time family self-  
20 sufficiency coordinator. An agency serving  
21 fewer than 25 such participants shall re-  
22 ceive a prorated fee.

23                           “(ii) ADDITIONAL FEE.—An agency  
24 that meets minimum performance stand-  
25 ards shall receive an additional fee suffi-

1           cient to cover the costs of employing a sec-  
2           ond family self-sufficiency coordinator if  
3           the agency has 75 or more participating  
4           families, and a third such coordinator if it  
5           has 125 or more participating families.

6           “(iii) PREVIOUSLY FUNDED AGEN-  
7           CIES.—An agency that received funding  
8           from the Department of Housing and  
9           Urban Development for more than 3 such  
10          coordinators in any of fiscal years 1998  
11          through 2008 shall receive funding for the  
12          highest number of coordinators funded in a  
13          single fiscal year during that period, pro-  
14          vided they meet applicable size and per-  
15          formance standards.

16          “(iv) INITIAL YEAR.—For the first  
17          year in which a public housing agency ex-  
18          ercises its right to develop a family self-  
19          sufficiency program for its residents, it  
20          shall be entitled to funding to cover the  
21          costs of up to 1 family self-sufficiency co-  
22          ordinator, based on the size specified in its  
23          action plan for such program.

24          “(v) STATE AND REGIONAL AGEN-  
25          CIES.—For purposes of calculating the

1 family self-sufficiency portion of the ad-  
2 ministrative fee under this subparagraph,  
3 each administratively distinct part of a  
4 State or regional public housing agency  
5 shall be treated as a separate agency.

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

18 “(C) PRORATION.—If insufficient funds  
19 are available in any fiscal year to fund all of the  
20 coordinators authorized under this section, the  
21 first priority shall be given to funding 1 coordi-  
22 nator at each agency with an existing family  
23 self-sufficiency program. The remaining funds  
24 shall be prorated based on the number of re-



1           maintaining coordinators to which each agency is  
2           entitled under this subparagraph.

3           “(D) RECAPTURE.—Any fees allocated  
4           under this subparagraph by the Secretary in a  
5           fiscal year that have not been spent by the end  
6           of the subsequent fiscal year shall be recaptured  
7           by the Secretary and shall be available for pro-  
8           viding additional fees pursuant to subparagraph  
9           (B)(ii).

10          “(E) PERFORMANCE STANDARDS.—Within  
11          6 months after the date of the enactment of  
12          this paragraph, the Secretary shall publish a  
13          proposed rule specifying the performance stand-  
14          ards applicable to funding under clauses (ii)  
15          and (iii) of subparagraph (B). Such standards  
16          shall include requirements applicable to the  
17          leveraging of in-kind services and other re-  
18          sources to support the goals of the family self-  
19          sufficiency program.

20          “(F) DATA COLLECTION.—Public housing  
21          agencies receiving funding under this paragraph  
22          shall collect and report to the Secretary, in such  
23          manner as the Secretary shall require, informa-  
24          tion on the performance of their family self-suf-  
25          ficiency programs.

1           “(G) EVALUATION.—The Secretary shall  
2           conduct a formal and scientific evaluation of  
3           the effectiveness of well-run family self-suffi-  
4           ciency programs, using random assignment of  
5           participants to the extent practicable. Not later  
6           than the expiration of the 4-year period begin-  
7           ning upon the enactment of this paragraph, the  
8           Secretary shall submit an interim evaluation re-  
9           port to Congress. Not later than the expiration  
10          of the 8-year period beginning upon such enact-  
11          ment, the Secretary shall submit a final evalua-  
12          tion report to Congress. There is authorized to  
13          be appropriated \$10,000,000 to carry out the  
14          evaluation under this subparagraph.

15           “(H) INCENTIVES FOR INNOVATION AND  
16          HIGH PERFORMANCE.—The Secretary may re-  
17          serve up to 10 percent of the amounts made  
18          available for administrative fees under this  
19          paragraph to provide support to or reward fam-  
20          ily self-sufficiency programs that are particu-  
21          larly innovative or highly successful in achieving  
22          the goals of the program.”.

23          (c) REPEAL.—Section 202 of the Departments of  
24          Veterans Affairs and Housing and Urban Development,  
25          and Independent Agencies Appropriations Act, 1997 (42

1 U.S.C. 1437f note; Public Law 104–204; 110 Stat. 2893)  
2 is hereby repealed.

3 **SEC. 8. HOMEOWNERSHIP.**

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

9 “(A) IN GENERAL.—Subject to the provi-  
10 sions of this paragraph, in the case of a family  
11 on whose behalf rental assistance under section  
12 8(o) has been provided for a period of not less  
13 than 12 months prior to the date of receipt of  
14 downpayment assistance under this paragraph,  
15 a public housing agency may, in lieu of pro-  
16 viding monthly assistance payments under this  
17 subsection on behalf of a family eligible for  
18 such assistance and at the discretion of the  
19 agency, provide a downpayment assistance  
20 grant in accordance with subparagraph (B).

21 “(B) GRANT REQUIREMENTS.—A down-  
22 payment assistance grant under this para-  
23 graph—

24 “(i) shall be used by the family only  
25 as a contribution toward the downpayment

1 and reasonable and customary closing  
2 costs required in connection with the pur-  
3 chase of a home;

4 “(ii) shall be in the form of a single  
5 1-time grant; and

6 “(iii) may not exceed \$10,000.

7 “(C) NO EFFECT ON OBTAINING OUTSIDE  
8 SOURCES FOR DOWNPAYMENT ASSISTANCE.—  
9 This Act may not be construed to prohibit a  
10 public housing agency from providing downpay-  
11 ment assistance to families from sources other  
12 than a grant provided under this Act, or as de-  
13 termined by the public housing agency.”.

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

17 (1) in subparagraph (A), by striking the period  
18 at the end of the first sentence and all that follows  
19 through “of” in the second sentence and inserting  
20 “and rents”; and

21 (2) in subparagraph (B)—

22 (A) in clause (i), by striking “the rent”  
23 and all that follows and inserting the following:  
24 “rent shall mean the sum of the monthly pay-  
25 ments made by a family assisted under this

1 paragraph to amortize the cost of purchasing  
2 the manufactured home, including any required  
3 insurance and property taxes, the monthly  
4 amount allowed for tenant-paid utilities, and  
5 the monthly rent charged for the real property  
6 on which the manufactured home is located, in-  
7 cluding monthly management and maintenance  
8 charges.”;

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

10 (C) in clause (iii)—

11 (i) by inserting after the period at the  
12 end the following: “If the amount of the  
13 monthly assistance payment for a family  
14 exceeds the monthly rent charged for the  
15 real property on which the manufactured  
16 home is located, including monthly man-  
17 agement and maintenance charges, a pub-  
18 lic housing agency may pay the remainder  
19 to the family, lender, or utility company, or  
20 may choose to make a single payment to  
21 the family for the entire monthly assist-  
22 ance amount.”; and

23 (ii) by redesignating such clause as  
24 clause (ii).

1 **SEC. 9. PERFORMANCE ASSESSMENTS.**

2 Section 8(o) of the United States Housing Act of  
3 1937 (42 U.S.C. 1437f(o)) is amended by adding at the  
4 end the following new paragraph:

5 “(21) PERFORMANCE ASSESSMENTS.—

6 “(A) ESTABLISHMENT.—The Secretary  
7 shall, by regulation, establish standards and  
8 procedures for assessing the performance of  
9 public housing agencies in carrying out the pro-  
10 grams for tenant-based rental assistance under  
11 this subsection and for homeownership assist-  
12 ance under subsection (y).

13 “(B) CONTENTS.—The standards and pro-  
14 cedures under this paragraph shall provide for  
15 assessment of the performance of public hous-  
16 ing agencies in the following areas:

17 “(i) Quality of dwelling units obtained  
18 using such assistance.

19 “(ii) Extent of utilization of assist-  
20 ance amounts provided to the agency and  
21 of authorized vouchers, adjusted for vouch-  
22 ers set aside to meet commitments under  
23 paragraph (13) and to take into account  
24 the time required for additional lease-up  
25 efforts resulting from absorption of a sig-

1           nificant number or share of an agency’s  
2           vouchers under subsection (r).

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

5           “(iv) Effectiveness in carrying out  
6           policies to achieve deconcentration of pov-  
7           erty.

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

11          “(vi) Accurate calculations of rent,  
12          utility allowances, and subsidy payments.

13          “(vii) Effectiveness in carrying out  
14          family self-sufficiency activities.

15          “(viii) Timeliness of actions related to  
16          landlord participation.

17          “(ix) Compliance with targeting re-  
18          quirements under section 16(b).

19          “(x) Such other areas as the Sec-  
20          retary considers appropriate.

21          “(C) BIENNIAL ASSESSMENT.—Not later  
22          than 2 years after the date of enactment of this  
23          paragraph, and at least every 2 years there-  
24          after, the Secretary, using the standards and

1 procedures established under this paragraph,  
2 shall—

3 “(i) conduct an assessment of the per-  
4 formance of each public housing agency  
5 carrying out a program referred to in sub-  
6 paragraph (A);

7 “(ii) make such assessment available  
8 to the public housing agency and to the  
9 public via the website of the Department of  
10 Housing and Urban Development; and

11 “(iii) submit a report to Congress re-  
12 garding the results of each such assess-  
13 ment.

14 “(D) USE OF ASSESSMENTS TO ASSIST  
15 PERFORMANCE.—The Secretary shall, by regu-  
16 lation and based upon the results of the assess-  
17 ments of public housing agencies conducted  
18 under this paragraph, establish procedures and  
19 mechanisms to assist poorly performing public  
20 housing agencies in becoming ably performing  
21 public housing agencies.”.

22 **SEC. 10. 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).”;

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

21           “(D) INCOME MIXING REQUIREMENT.—

22           “(i) IN GENERAL.—Except as pro-  
23 vided in clause (ii), not more than the  
24 greater of 25 dwelling units or 25 percent  
25 of the dwelling units in any project may be

1 assisted under a housing assistance pay-  
2 ment contract for project-based assistance  
3 pursuant to this paragraph. For purposes  
4 of this subparagraph, the term ‘project’  
5 means a single building, multiple contig-  
6 uous buildings, or multiple buildings on  
7 contiguous parcels of land.

8 “(ii) EXCEPTIONS.—

9 “(I) CERTAIN HOUSING.—The  
10 limitation under clause (i) shall not  
11 apply in the case of assistance under  
12 a contract for housing consisting of  
13 single family properties, or for dwell-  
14 ing units that are specifically made  
15 available for households comprised of  
16 elderly families, disabled families, and  
17 families receiving supportive services  
18 only where comprehensive services are  
19 provided to special populations such  
20 as to individuals who were formerly  
21 homeless and other populations with  
22 special needs. For purposes of the  
23 preceding sentence, the term ‘single  
24 family properties’ means buildings  
25 with no more than 4 dwelling units.

1                   “(II) CERTAIN AREAS.—With re-  
2                   spect to areas in which fewer than 75  
3                   percent of families issued vouchers be-  
4                   come participants in the program, the  
5                   public housing agency has established  
6                   the payment standard at 110 percent  
7                   of the fair market rent for all census  
8                   tracts in the area for the previous 6  
9                   months, the public housing agency has  
10                  requested a higher payment standard,  
11                  and the public housing agency grants  
12                  an automatic extension of 90 days (or  
13                  longer) to families with vouchers who  
14                  are attempting to find housing, clause  
15                  (i) shall be applied by substituting ‘40  
16                  percent’ for ‘25 percent.’”;

17                  (3) in the first sentence of subparagraph (F),  
18                  by striking “10 years” and inserting “15 years”;

19                  (4) in subparagraph (G)—

20                         (A) by inserting after the period at the end  
21                         of the first sentence the following: “Such con-  
22                         tract may, at the election of the public housing  
23                         agency and the owner of the structure, specify  
24                         that such contract shall be extended for renewal  
25                         terms of up to 15 years each, if the agency

1 makes the determination required by this sub-  
2 paragraph and the owner is in compliance with  
3 the terms of the contract.”; and

4 (B) by adding at the end the following: “A  
5 public housing agency may agree to enter into  
6 such a contract at the time it enters into the  
7 initial agreement for a housing assistance pay-  
8 ment contract or at any time thereafter that is  
9 before the expiration of the housing assistance  
10 payment contract.”;

11 (5) in subparagraph (H), by inserting before  
12 the period at the end of the first sentence the fol-  
13 lowing: “, except that in the case of a contract unit  
14 that has been allocated low-income housing tax cred-  
15 its and for which the rent limitation pursuant to  
16 such section 42 is less than the amount that would  
17 otherwise be permitted under this subparagraph, the  
18 rent for such unit may, in the sole discretion of a  
19 public housing agency, be established at the higher  
20 section 8 rent, subject only to paragraph (10)(A)”;

21 (6) in subparagraph (I)(i), by inserting before  
22 the semicolon the following: “, except that the con-  
23 tract may provide that the maximum rent permitted  
24 for a dwelling unit shall not be less than the initial

1       rent for the dwelling unit under the initial housing  
2       assistance payments contract covering the unit”;

3               (7) in subparagraph (J)—

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

1 fully disclose to each applicant each option in  
2 the selection of a project in which to reside that  
3 is available to the applicant.”; and

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

13 (8) by adding at the end the following new sub-  
14 paragraphs:

15 “(L) STRUCTURE OWNED BY AGENCY.—

16 Notwithstanding any other provision of law, as  
17 part of an initiative to improve, redevelop, or  
18 replace a public housing site, a public housing  
19 agency may attach assistance to an existing,  
20 newly constructed, or rehabilitated structure in  
21 which the public housing agency has an owner-  
22 ship interest, without following a competitive  
23 process, provided that the agency includes such  
24 action in its public housing agency plan ap-  
25 proved under section 5A and the units that will

1 receive such assistance will not receive assist-  
2 ance under section 9. The preceding sentence  
3 shall not be construed to limit a public housing  
4 agency's ability to attach assistance to struc-  
5 tures under applicable law.

6 “(M) USE IN COOPERATIVE HOUSING AND  
7 ELEVATOR BUILDINGS.—A public housing agen-  
8 cy may enter into a housing assistance pay-  
9 ments contract under this paragraph with re-  
10 spect to—

11 “(i) dwelling units in cooperative  
12 housing; and

13 “(ii) notwithstanding subsection (c),  
14 dwelling units in a high-rise elevator  
15 project, including such a project that is oc-  
16 cupied by families with children, without  
17 review and approval of the contract by the  
18 Secretary.

19 “(N) REVIEWS.—

20 “(i) SUBSIDY LAYERING.—A subsidy  
21 layering review in accordance with section  
22 102(d) of the Department of Housing and  
23 Urban Development Reform Act of 1989  
24 (42 U.S.C. 3545(d)) shall not be required  
25 for assistance under this subparagraph in

1           the case of a housing assistance payments  
2           contract for an existing structure, or if a  
3           subsidy layering review has been conducted  
4           by the applicable State or local agency.

5           “(ii) ENVIRONMENTAL REVIEW.—A  
6           public housing agency shall not be required  
7           to undertake any environmental review be-  
8           fore entering into a housing assistance  
9           payments contract under this paragraph  
10          for an existing structure, except to the ex-  
11          tent such a review is otherwise required by  
12          law or regulation.

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

18          “(P) ALLOWABLE TRANSFERS.—To pro-  
19          mote regional mobility and increase housing  
20          and economic opportunities through expanded  
21          use of project-based voucher assistance, a public  
22          housing agency may transfer a portion of its  
23          vouchers and related budget authority to a pub-  
24          lic housing agency that administers a program  
25          under this subsection in another jurisdiction in



1 the same or contiguous metropolitan area or  
 2 county. The Secretary shall encourage such vol-  
 3 untary agreements and promptly execute the  
 4 necessary funding and contract modifications.”.

5 **SEC. 11. RENT BURDENS.**

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

10 “(E) **REVIEWS.**—

11 “(i) **RENT BURDENS.**—

12 “(I) **MONITOR AND REPORT.**—

13 The Secretary shall monitor rent bur-  
 14 dens and submit a report to Congress  
 15 annually on the percentage of families  
 16 assisted under this subsection, occu-  
 17 pying dwelling units of each size, that  
 18 pay more than 30 percent of their ad-  
 19 justed incomes for rent and such per-  
 20 centage that pay more than 40 per-  
 21 cent of their adjusted incomes for  
 22 rent. Using information regularly re-  
 23 ported by public housing agencies, the  
 24 Secretary shall provide public housing  
 25 agencies, on an annual basis, a report

1 with the information described in the  
2 first sentence of this clause, and may  
3 require a public housing agency to  
4 modify a payment standard that re-  
5 sults in a significant percentage of  
6 families assisted under this sub-  
7 section, occupying dwelling units of  
8 any size, paying more than 30 percent  
9 of their adjusted incomes for rent. In  
10 implementing the requirements of this  
11 clause, the Secretary shall distinguish  
12 excessive rent burdens that result  
13 solely from the methods of deter-  
14 mining a family's rent contribution  
15 under section (3)(A)(3) or clauses (ii)  
16 or (iii) of paragraph (2)(A) of this  
17 subsection.

18 “(II) PUBLIC AVAILABILITY.—  
19 Each public housing agency shall  
20 make publicly available the informa-  
21 tion on rent burdens provided by the  
22 Secretary pursuant to subclause (I),  
23 and, for agencies located in metropoli-  
24 tan areas, the information on con-

1                   centration provided by the Secretary  
2                   pursuant to clause (ii).

3                   “(ii) CONCENTRATION OF POVERTY.—

4                   The Secretary shall submit a report to  
5                   Congress annually on the degree to which  
6                   families of particular racial and ethnic  
7                   groups assisted under this subsection in  
8                   each metropolitan area are clustered in  
9                   higher poverty areas, and the extent to  
10                  which greater geographic distribution of  
11                  such assisted families could be achieved,  
12                  including by increasing payment standards  
13                  for particular communities within such  
14                  metropolitan areas.

15                  “(iii) PUBLIC HOUSING AGENCY RE-  
16                  SPONSIBILITIES.—If a public housing  
17                  agency has a high degree of concentration  
18                  of families of particular racial and ethnic  
19                  groups clustered in a higher poverty area  
20                  or if such agency has more than 5 percent  
21                  of families residing in units assisted under  
22                  this subsection who pay more than 40 per-  
23                  cent of their adjusted incomes for rent—

24                                  “(I) the public housing agency  
25                                  shall adjust its payment standard or

1 explain its reasons for not making  
2 such adjustment; and

3 “(II) the Secretary may not deny  
4 the request of the public housing  
5 agency to set a payment standard up  
6 to 120 percent of the fair market rent  
7 to remedy excessive rent burdens or  
8 undue concentration of families as-  
9 sisted under this subsection in lower  
10 rent, higher poverty sections of a met-  
11 ropolitan area, if the public housing  
12 agency—

13 “(aa) has conducted a thor-  
14 ough review of its payment  
15 standards;

16 “(bb) conducts a thorough  
17 review of its rent reasonableness  
18 policies and procedures, and  
19 properly conducts a review of its  
20 rent reasonableness on an ongo-  
21 ing basis;

22 “(cc) has conducted out-  
23 reach to landlords in all areas  
24 within the service area of the  
25 public housing agency;

1 “(dd) provides search assist-  
2 ance to such families, if undue  
3 concentration is the reason for  
4 the adjustment of the payment  
5 standard;

6 “(ee) has completed a review  
7 of utility allowances and burdens  
8 on such families; and

9 “(ff) the public housing  
10 agency has, for the previous 6-  
11 month period, had its payment  
12 standards set at 110 percent of  
13 the fair market rent.”.

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



1 shall be required if the rent is at or below  
2 the rent for other comparable units receiv-  
3 ing such tax credits or assistance in the  
4 project that are not occupied by tenant-  
5 based voucher holders; and

6 “(ii) the rent shall not be considered  
7 reasonable if it exceeds the higher of (I)  
8 the rents charged for other comparable  
9 units receiving such tax credits or assist-  
10 ance in the project that are not occupied  
11 by tenant-based voucher holders and (II)  
12 the payment standard established by the  
13 public housing agency for a unit of the  
14 particular size.”.

15 **SEC. 12. ESTABLISHMENT OF FAIR MARKET RENT.**

16 (a) IN GENERAL.—Paragraph (1) of section 8(c) of  
17 the United States Housing Act of 1937 (42 U.S.C.  
18 1437f(c)(1)) is amended—

19 (1) by inserting “(A)” after the paragraph des-  
20 ignation;

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

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

24 “(B)(i) The Secretary shall endeavor to define mar-  
25 ket areas for purposes of this paragraph in a manner that

1 results in fair market rentals that are adequate to cover  
2 typical rental costs of units suitable for occupancy by per-  
3 sons assisted under this section in as wide a range of com-  
4 munities as is feasible, including communities with low  
5 poverty rates.

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

8 “(I) metropolitan city, as such term is defined  
9 in section 102(a) of the Housing and Community  
10 Development Act of 1974 (42 U.S.C. 5302(a)), with  
11 more than 40,000 rental dwelling units; and

12 “(II) county or in the case of a county that in-  
13 cludes a metropolitan city specified in subclause (I),  
14 for the remainder of that county located outside the  
15 boundaries of such metropolitan city.

16 The requirement under subclause (II) shall not apply to  
17 any counties wholly within a metropolitan city specified  
18 in subclause (I) or any counties in the following States:  
19 Connecticut, Maine, Massachusetts, New Hampshire,  
20 Rhode Island, or Vermont.

21 “(iii) Notwithstanding clause (ii), the Secretary may  
22 establish minimum fair market rents within each State to  
23 ensure that fair market rents in a State are adequate to  
24 cover the cost of standard quality housing in that State.



1           “(iv) The Secretary shall, at the request of 1 or more  
2 public housing agency, establish a separate market area  
3 for part or all of the area under the jurisdiction of such  
4 agency, if—

5           “(I) the requested market area contains at least  
6 20,000 rental dwelling units;

7           “(II) the areas contained in the requested mar-  
8 ket area are geographically contiguous and share  
9 similar housing market characteristics;

10           “(III) adequate data are available to establish  
11 a reliable fair market rental for the requested mar-  
12 ket area, and for the remainder of the market area  
13 in which it is currently located; and

14           “(IV) establishing the requested market area  
15 would raise or lower the fair market rental by 10  
16 percent or more at the time the requested market  
17 area is established.

18 For purposes of subclause (III), data for an area shall  
19 be considered adequate if they are sufficient to establish  
20 from time to time a reliable benchmark fair market rental  
21 based primarily on data from that area, whether or not  
22 those data need to be supplemented with data from a larg-  
23 er area for purposes of annual updates.

24           “(v) The Secretary shall not reduce the fair market  
25 rental in a market area as a result of a change in the

1 percentile of the distribution of market rents used to es-  
2 tablish the fair market rental.”.

3 (b) PAYMENT STANDARD.—Subparagraph (B) of sec-  
4 tion 8(o)(1) of the United States Housing Act of 1937  
5 (42 U.S.C. 1437f(o)(1)(B)) is amended by inserting be-  
6 fore the period at the end the following: “, except that  
7 no public housing agency shall be required as a result of  
8 a reduction in the fair market rental to reduce the pay-  
9 ment standard applied to a family continuing to reside in  
10 a unit for which the family was receiving assistance under  
11 this section at the time the fair market rental was re-  
12 duced”.

13 **SEC. 13. SCREENING OF APPLICANTS.**

14 Subparagraph (B) of section 8(o)(6) of the United  
15 States Housing Act of 1937 (1437f(o)(6)(B)) is amend-  
16 ed—

17 (1) by inserting after the period at the end of  
18 the second sentence the following: “A public housing  
19 agency’s elective screening shall be limited to criteria  
20 that are directly related to an applicant’s ability to  
21 fulfill the obligations of an assisted lease and shall  
22 consider mitigating circumstances related to such  
23 applicant. The requirements of the prior sentence  
24 shall not limit the ability of a public housing agency  
25 to deny assistance based on the applicant’s criminal

1 background or any other permissible grounds for de-  
2 nial under subtitle F of title V of the Quality Hous-  
3 ing and Work Responsibility Act of 1998 (42 U.S.C.  
4 13661 et seq., relating to safety and security in pub-  
5 lic and assisted housing), subject to the procedural  
6 requirements of this section. Any applicant or partic-  
7 ipant determined to be ineligible for admission or  
8 continued participation to the program shall be noti-  
9 fied of the basis for such determination and pro-  
10 vided, within a reasonable time after the determina-  
11 tion, an opportunity for an informal hearing on such  
12 determination at which mitigating circumstances, in-  
13 cluding remedial conduct subsequent to the conduct  
14 that is the basis of such consideration.”; and

15 (2) by adding at the end the following: “Public  
16 housing tenants requesting tenant-based voucher as-  
17 sistance under this subsection to relocate from pub-  
18 lic housing as a result of the demolition or disposi-  
19 tion of public housing shall not be considered new  
20 applicants under this paragraph and shall not be  
21 subject to elective screening by the public housing  
22 agency.”.

1 **SEC. 14. ENHANCED VOUCHERS.**

2 (a) IN GENERAL.—Section 8(t)(1) of the United  
3 States Housing Act of 1937 (42 U.S.C. 1437f(t)(1)) is  
4 amended—

5 (1) in the matter preceding subparagraph (A),  
6 by inserting “and shall not require that the family  
7 requalify under the selection standards for a public  
8 housing agency in order to be eligible for such as-  
9 sistance” after “subsection (o)”; and

10 (2) by amending subparagraph (B) to read as  
11 follows:

12 “(B)(i) the assisted family may elect to re-  
13 main in the same project in which the family  
14 was residing on the date of the eligibility event  
15 for the project regardless of unit and family  
16 size standards normally used by the admin-  
17 istering public housing agency (except that ten-  
18 ants may be required to move to units of appro-  
19 priate size if available on the premises), and the  
20 owner of the unit shall accept the enhanced  
21 voucher and terminate the tenancy only for se-  
22 rious or repeated violation of the terms and  
23 conditions of the lease or for violation of appli-  
24 cable law; and

25 “(ii) if, during any period the family  
26 makes such an election and continues to so re-

1 side, the rent for the dwelling unit of the family  
2 in such project exceeds the applicable payment  
3 standard established pursuant to subsection (o)  
4 for the unit, the amount of rental assistance  
5 provided on behalf of the family shall be deter-  
6 mined using a payment standard that is equal  
7 to the rent for the dwelling unit (as such rent  
8 may be increased from time-to-time), subject to  
9 paragraph (10)(A) of subsection (o) and any  
10 other reasonable limit prescribed by the Sec-  
11 retary, except that a limit shall not be consid-  
12 ered reasonable for purposes of this subpara-  
13 graph if it adversely affects such assisted fami-  
14 lies;”.

15 (b) RULEMAKING.—Not later than 6 months after  
16 the date of enactment of this Act, the Secretary of Hous-  
17 ing and Urban Development shall promulgate regulations  
18 implementing the amendments made by subsection (a).

19 **SEC. 15. PROJECT-BASED PRESERVATION VOUCHERS.**

20 (a) ENHANCED VOUCHERS.—Section 8(t) of the  
21 United States Housing Act of 1937 (42 U.S.C.  
22 1437(t)(1)) is amended by adding at the end the following  
23 new paragraph:

24 “(5) AUTHORIZATION OF PRESERVATION  
25 PROJECT-BASED VOUCHER ASSISTANCE IN LIEU OF

1        ENHANCED        VOUCHER        ASSISTANCE.—Notwith-  
 2        standing any other provision of law, preservation  
 3        project-based voucher assistance may be provided  
 4        pursuant to subsection (o)(13)(Q) in lieu of en-  
 5        hanced voucher assistance at the request of the  
 6        owner of the multifamily housing project, subject to  
 7        the determinations of the public housing agency pur-  
 8        suant to clause (ii) of subsection (o)(13)(Q). Preser-  
 9        vation project-based voucher assistance provided  
 10       pursuant to subsection (o)(13)(Q) in lieu of en-  
 11       hanced voucher assistance shall be subject to the  
 12       provisions of subsection (o)(13)(Q) and shall not be  
 13       subject to the provisions of this subsection.”.

14       (b) PHA PROJECT-BASED ASSISTANCE.—Section  
 15       8(o)(13) of the United States Housing Act of 1937 (42  
 16       U.S.C. 1437f(o)(13)) is amended by adding at the end the  
 17       following new subparagraph:

18                    “(Q)        PRESERVATION        PROJECT-BASED  
 19                    VOUCHER ASSISTANCE.—

20                    “(i) IN GENERAL.—The Secretary is  
 21                    authorized to provide assistance under this  
 22                    paragraph in lieu of enhanced voucher as-  
 23                    sistance under subsection (t) to a public  
 24                    housing agency that enters into a contract  
 25                    with an owner of a multifamily housing

1 project upon the occurrence of an eligibility  
2 event with respect to the project as defined  
3 in subsection (t)(2). All owners of projects  
4 for which enhanced voucher assistance  
5 would otherwise be provided may request  
6 and receive a contract for preservation  
7 project-based voucher assistance at the  
8 project in lieu of enhanced voucher assist-  
9 ance upon the occurrence of an eligibility  
10 event with respect to the project, subject to  
11 the determinations of the public housing  
12 agency in clause (ii). The contract shall  
13 cover all of the units in the project for  
14 which enhanced voucher assistance would  
15 otherwise be provided under subsection (t).

16 “(ii) PUBLIC HOUSING AGENCY DE-  
17 TERMINATIONS.—Prior to entering into a  
18 contract pursuant to this subparagraph,  
19 the public housing agency shall have deter-  
20 mined that (I) the housing to be assisted  
21 hereunder is economically viable, and that  
22 (II) there is significant demand for the  
23 housing, or the housing will contribute to  
24 a concerted community revitalization plan  
25 or to the goal of deconcentrating poverty

1 and expanding housing and economic op-  
2 portunities, or the continued affordability  
3 of the housing otherwise is an important  
4 asset to the community. The determina-  
5 tions of the public housing agency required  
6 in the previous sentence shall be in lieu of  
7 meeting the requirements of subparagraph  
8 (C).

9 “(iii) SPECIAL RULES.—Funding pro-  
10 vided for preservation project-based vouch-  
11 er assistance pursuant to this subpara-  
12 graph shall be disregarded for the purpose  
13 of calculating the limitation on attaching  
14 funding to structures otherwise applicable  
15 to public housing agency project-based as-  
16 sistance pursuant to subparagraph (B).  
17 Assistance under this subparagraph shall  
18 not be subject to the requirements of sub-  
19 paragraph (D).

20 “(iv) ELIGIBILITY.—Notwithstanding  
21 any other provision of law, each family re-  
22 siding in a project on the date of the eligi-  
23 bility event that would otherwise be eligible  
24 for enhanced voucher assistance under sub-  
25 section (t) shall be eligible for preservation



1 project-based voucher assistance under this  
2 subparagraph.”.

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

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

15 (b) **WAIVER OF INCOME REQUIREMENTS.—**The Sec-  
16 retary of Housing and Urban Development may, to the  
17 extent necessary to allow rental assistance under section  
18 8(o) of the United States Housing Act of 1937 to be pro-  
19 vided on behalf of persons described in subsection (c) who  
20 participate in a demonstration program described in such  
21 subsection, and to allow such persons to be placed on a  
22 waiting list for such assistance, partially or wholly dis-  
23 regard increases in earned income for the purpose of rent  
24 calculations under section 3 for such persons.

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

12 **SEC. 17. STUDY TO IDENTIFY OBSTACLES TO USING**  
13                           **VOUCHERS IN FEDERALLY SUBSIDIZED**  
14                           **HOUSING PROJECTS.**

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

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

13 (b) DEFINITION.—As used in this section, the term  
14 “federally subsidized housing projects” includes projects  
15 assisted pursuant to the HOME investment partnerships  
16 program under title II of the Cranston-Gonzalez National  
17 Affordable Housing Act (42 U.S.C. 12721 et seq.) and  
18 those projects receiving the benefit of low-income housing  
19 credits under section 42 of the Internal Revenue Code of  
20 1986 (26 U.S.C. 42).

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

1 **SEC. 18. COLLECTION OF DATA ON TENANTS IN PROJECTS**  
2 **RECEIVING TAX CREDITS.**

3 Title I of the United States Housing Act of 1937 (42  
4 U.S.C. 1437 et seq.) is amended by adding at the end  
5 the following new section:

6 **“SEC. 36. COLLECTION OF DATA ON TENANTS IN PROJECTS**  
7 **RECEIVING TAX CREDITS.**

8 “(a) IN GENERAL.—State agencies administering  
9 credits under section 42 of the Internal Revenue Code  
10 shall furnish to the Secretary of Housing and Urban De-  
11 velopment, not less than annually, data concerning the  
12 race, ethnicity, family composition, age, income, use of  
13 rental assistance under section 8(o) of the United States  
14 Housing Act of 1937 or other similar assistance, disability  
15 status, and monthly rental payments of households resid-  
16 ing in each property receiving such credits. State agencies  
17 shall, to the extent feasible, collect such data through ex-  
18 isting reporting processes and in a manner that minimizes  
19 burdens on property owners. In the case of a household  
20 continuing to reside in the same unit, such data may rely  
21 on information provided by the household in a previous  
22 year for categories of information that are not subject to  
23 change or if information for the current year is not readily  
24 available to the owner of the property.

25 “(b) STANDARDS AND DEFINITIONS.—The Secretary  
26 of Housing and Urban Development shall—

1           “(1) by rule, establish standards and definitions  
2 for the data collected under subsection (a);

3           “(2) provide States with technical assistance in  
4 establishing systems to compile and submit such  
5 data; and

6           “(3) in coordination with other Federal agen-  
7 cies administering housing programs, establish pro-  
8 cedures to minimize duplicative reporting require-  
9 ments for properties assisted under multiple housing  
10 programs.

11          “(c) PUBLIC AVAILABILITY OF REPORTS.—The Sec-  
12 retary of Housing and Urban Development shall compile  
13 and make publicly available not less than annually the  
14 data furnished by State agencies under subsection (a).

15          “(d) AUTHORIZATION OF APPROPRIATIONS.—There  
16 are authorized to be appropriated \$2,500,000 for fiscal  
17 year 2009 and \$900,000 for each of the fiscal years 2010  
18 to 2013 to cover the cost of the activities required under  
19 subsections (b) and (c).”.

20 **SEC. 19. AGENCY AUTHORITY FOR UTILITY PAYMENTS IN**  
21 **CERTAIN CIRCUMSTANCES.**

22          Section 8(o) of the United States Housing Act of  
23 1937 (42 U.S.C. 1437f(o)) is amended by adding at the  
24 end the following new paragraph:

1           “(23) AUTHORITY OF PUBLIC HOUSING AGEN-  
2           CIES TO MAKE DIRECT PAYMENTS FOR UTILITIES  
3           WHEN OWNER FAILS TO PAY.—

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

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

1 **SEC. 20. ACCESS TO HUD PROGRAMS FOR PERSONS WITH**  
2 **LIMITED ENGLISH PROFICIENCY.**

3 (a) HUD RESPONSIBILITIES.—To allow the Depart-  
4 ment of Housing and Urban Development to better serve  
5 persons with limited proficiency in the English language  
6 by providing technical assistance to recipients of Federal  
7 funds, the Secretary of Housing and Urban Development  
8 shall take the following actions:

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

24 (2) TRANSLATIONS.—Within 6 months after  
25 identification of documents pursuant to paragraph  
26 (1), produce translations of the documents identified

1 in all necessary languages and make such trans-  
2 lations available as part of the library of forms avail-  
3 able on the website of the Department and as part  
4 of the clearinghouse developed pursuant to para-  
5 graph (4).

6 (3) PLAN.—Develop and carry out a plan that  
7 includes providing resources of the Department to  
8 assist recipients of Federal funds to improve access  
9 to programs and activities for individuals with lim-  
10 ited English proficiency, which plan shall include the  
11 elements described in paragraph (4).

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

21 (A) TRANSLATION OF WRITTEN MATE-  
22 RIALS.—The center may provide, directly or  
23 through contract, vital documents from com-  
24 petent translation services for providers of  
25 housing services.



1 (B) TOLL-FREE CUSTOMER SERVICE TELE-  
2 PHONE NUMBER.—The center shall provide a  
3 24-hour toll-free interpretation service tele-  
4 phone line, by which recipients of funds of the  
5 Department and individuals with limited  
6 English proficiency may—

7 (i) obtain information about federally  
8 conducted or federally assisted housing  
9 programs of the Department;

10 (ii) obtain assistance with applying for  
11 or accessing such housing programs and  
12 understanding Federal notices written in  
13 English; and

14 (iii) communicate with housing pro-  
15 viders, and learn how to access additional  
16 language services.

17 The toll-free telephone service provided pursu-  
18 ant to this subparagraph shall supplement re-  
19 sources in the community identified by the plan  
20 developed pursuant to paragraph (3).

21 (C) DOCUMENT CLEARINGHOUSE.—The  
22 center shall collect and evaluate for accuracy or  
23 develop, and make available, templates and doc-  
24 uments that are necessary for consumers, rel-  
25 evant industry representatives, and other stake-

1 holders of the Department, to access, make  
2 educated decisions, and communicate effectively  
3 about their housing, including—

4 (i) administrative and property docu-  
5 ments;

6 (ii) legally binding documents;

7 (iii) consumer education and outreach  
8 materials;

9 (iv) documents regarding rights and  
10 responsibilities of any party; and

11 (v) remedies available to consumers.

12 (D) STUDY OF LANGUAGE ASSISTANCE  
13 PROGRAMS.—The center shall conduct a study  
14 that evaluates best-practices models for all pro-  
15 grams of the Department that promote lan-  
16 guage assistance and strategies to improve lan-  
17 guage services for individuals with limited  
18 English proficiency. Not later than 18 months  
19 after the date of the enactment of this Act, the  
20 center shall submit a report to the Committee  
21 on Banking, Housing, and Urban Affairs of the  
22 Senate and the Committee on Financial Serv-  
23 ices of the House of Representatives, which  
24 shall provide recommendations for implementa-  
25 tion, specific to programs of the Department,

1 and information and templates that could be  
2 made available to all recipients of grants from  
3 the Department.

4 (E) CULTURAL AND LINGUISTIC COM-  
5 PETENCE MATERIALS.—The center shall pro-  
6 vide information relating to culturally and lin-  
7 guistically competent housing services for popu-  
8 lations with limited English proficiency.

9 (b) AUTHORIZATION OF APPROPRIATIONS.—There  
10 are authorized to be appropriated such sums as may be  
11 necessary to carry out subsection (a).

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

20 **SEC. 21. AUTHORIZATION OF APPROPRIATIONS.**

21 There is authorized to be appropriated the amount  
22 necessary for each of fiscal years 2009 through 2013 to  
23 provide public housing agencies with incremental tenant-  
24 based assistance under section 8(o) of the United States  
25 Housing Act of 1937 (42 U.S.C. 1437f(o)) sufficient to

1 assist 20,000 incremental dwelling units in each such fis-  
2 cal year. A preference for allocation of such incremental  
3 tenant-based assistance, as part of the competitive process  
4 required by section 213(d) of the Housing and Community  
5 Development Act of 1974 (42 U.S.C. 1439(d)), is to be  
6 given to (1) preserving affordable housing, including State  
7 public housing, and other housing that needs operating  
8 support in order to remain affordable, and (2) entities that  
9 are providing voucher assistance on a regional basis.

10 **SEC. 22. EFFECTIVE DATE.**

11 (a) IN GENERAL.—Except as otherwise specifically  
12 provided in this Act, this Act and the amendments made  
13 by this Act, shall take effect on January 1, 2009.

14 (b) EXCEPTION.—

15 (1) RENT REFORMS.—Sections 3, 4, and 12 of  
16 this Act, and the amendments made by such sec-  
17 tions, shall take effect beginning of the first day of  
18 fiscal year 2010, and shall apply to each fiscal year  
19 thereafter.

20 (2) NOTIFICATION REQUIREMENT.—Beginning  
21 on the date of enactment of this Act, public housing  
22 agencies and owners of dwelling units assisted under  
23 title I of the United States Housing Act of 1937 (42  
24 U.S.C. 1437 et seq.) shall notify tenants as soon as  
25 possible of the—

1           (A) major changes made by the amend-  
2           ments in sections 3 and 4, and how such  
3           changes affect the current tenants occupying  
4           such units; and

5           (B) potential effects of such changes on  
6           current tenants in general.

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