

111TH CONGRESS
1ST SESSION

H. R. 3045

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

IN THE HOUSE OF REPRESENTATIVES

JUNE 25, 2009

Ms. WATERS (for herself, Mr. FRANK of Massachusetts, Mr. BACA, Mr. COHEN, and Mrs. BIGGERT) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

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

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

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

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

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

- Sec. 1. Short title and table of contents.
- Sec. 2. Inspection of dwelling units.
- Sec. 3. Rent reform and income reviews.
- Sec. 4. Eligibility for assistance based on assets and income.
- Sec. 5. Targeting assistance to low-income working families.
- Sec. 6. Voucher renewal funding.

- Sec. 7. Administrative fees.
- Sec. 8. Homeownership.
- Sec. 9. PHA reporting of rent payments to credit reporting agencies.
- Sec. 10. Performance assessments.
- Sec. 11. PHA project-based assistance.
- Sec. 12. Rent burdens.
- Sec. 13. Establishment of fair market rent.
- Sec. 14. Screening of applicants.
- Sec. 15. Enhanced vouchers.
- Sec. 16. Demonstration program waiver authority.
- Sec. 17. Authorization of appropriations.
- Sec. 18. Agency authority for utility payments in certain circumstances.
- Sec. 19. Project-based preservation vouchers.
- Sec. 20. Effect of foreclosure on section 8 tenancies.
- Sec. 21. Study to identify obstacles to using vouchers in federally subsidized housing projects.
- Sec. 22. Interagency Council on Homelessness.
- Sec. 23. Housing innovation program.
- Sec. 24. Effective date.

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

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

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

6 “(A) INITIAL INSPECTION.—

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

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

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

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

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

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

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

18 “(D) BIENNIAL INSPECTIONS.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 housing assistance payments contract for
2 the dwelling unit.

3 “(viii) RELOCATION.—

4 “(I) LEASE OF NEW UNIT.—The
5 agency shall provide the family resid-
6 ing in such a dwelling unit a period of
7 90 days or such longer period as is
8 necessary to lease a new unit, begin-
9 ning upon termination of the contract,
10 to lease a new residence with tenant-
11 based rental assistance under this sec-
12 tion.

13 “(II) AVAILABILITY OF PUBLIC
14 HOUSING UNITS.—If the family is un-
15 able to lease such a new residence
16 during such period, the public housing
17 agency shall, at the option of the fam-
18 ily, provide such family a preference
19 for occupancy in a dwelling unit of
20 public housing owned or operated by
21 the agency that first becomes avail-
22 able for occupancy after the expiration
23 of such period.

24 “(III) ASSISTANCE IN FINDING
25 UNIT.—The public housing agency

1 shall provide reasonable assistance to
2 the family in finding a new residence,
3 including use of up to two months of
4 any assistance amounts abated pursu-
5 ant to clause (iii) for costs directly as-
6 sociated with relocation of the family
7 to a new residence, which may include
8 moving expenses and security depos-
9 its. The agency may require that a
10 family receiving assistance for a secu-
11 rity deposit shall remit, to the extent
12 of such assistance, the amount of any
13 security deposit refunds made by the
14 owner of the dwelling unit for which
15 the lease was terminated.

16 “(ix) TENANT-CAUSED DAMAGES.—If
17 a public housing agency determines that
18 any damage to a dwelling unit that results
19 in a failure of the dwelling unit to comply
20 with housing quality standards under sub-
21 paragraph (B), other than any damage re-
22 sulting from ordinary use, was caused by
23 the tenant, any member of the tenant’s
24 household, or any guest or other person
25 under the tenant’s control, the agency may

1 waive the applicability of this subpara-
2 graph, except that this clause shall not ex-
3 onerate a tenant from any liability other-
4 wise existing under applicable law for dam-
5 ages to the premises caused by such ten-
6 ant.

7 “(x) APPLICABILITY.—This subpara-
8 graph shall apply to any dwelling unit for
9 which a housing assistance payments con-
10 tract is entered into or renewed after the
11 date of the effectiveness of the regulations
12 implementing this subparagraph.”.

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

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

17 (1) in subsection (a)—

18 (A) in paragraph (1) by inserting “LOW-
19 INCOME OCCUPANCY REQUIREMENT AND RENT-
20 AL PAYMENTS.—” after “(1)”;

21 (B) in paragraph (1)—

22 (i) by striking “paragraph (2)” and
23 inserting “paragraphs (2) and (3)”; and

24 (ii) by striking “paragraph (3)” and
25 inserting “paragraph (4)”;

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

4 (D) by redesignating paragraphs (3), (4),
5 and (5) as paragraphs (4), (5), and (6), respec-
6 tively;

7 (E) by inserting after paragraph (2) the
8 following new paragraph:

9 “(3) PHA AUTHORITY TO ESTABLISH ALTER-
10 NATIVE RENTS.—

11 “(A) RENT FLEXIBILITY FOR PUBLIC
12 HOUSING.—Subject to the requirements under
13 subparagraph (B), a public housing agency may
14 establish for public housing—

15 “(i) a tenant rent structure in
16 which—

17 “(I) the public housing agency
18 establishes, based on the rental value
19 of the unit, as determined by the pub-
20 lic housing agency, a ceiling rent for
21 each dwelling unit that it owns and
22 operates; and

23 “(II) such ceiling rent is adjusted
24 periodically on the basis of an infla-
25 tion index or a recalculation of the

1 rental value of the unit (which may be
2 recalculated by unit or by building);

3 “(ii) an income-tiered tenant rent
4 structure in which the amount of rent a
5 family shall pay is set and distributed on
6 the basis of broad tiers of income and such
7 tiers and rents are adjusted on the basis of
8 an annual cost index except that families
9 shall not be offered a rent lower than the
10 rent corresponding to their income tier; or

11 “(iii) a tenant rent structure in which
12 the amount of rent a family shall pay is
13 based on a percentage of family income,
14 except that lower percentages may apply
15 only with respect to earned income; such a
16 rent structure may provide for an amount
17 of rent based on a calculation of earned in-
18 come that provides for disregard of a high-
19 er percentage or higher dollar amount, or
20 both, than provided for in paragraph
21 (8)(B).

22 “(B) LIMITATION.—Notwithstanding the
23 authority provided under subparagraph (A), the
24 amount paid for rent (including the amount al-
25 lowed for tenant-paid utilities) by any family

1 for a dwelling unit in public housing may not
2 exceed the amount determined under subsection
3 (a)(1) of this section. The Secretary shall issue
4 regulations and establish procedures for public
5 housing agency calculations and documentation
6 as are necessary to ensure compliance with this
7 subparagraph.

8 “(C) ELDERLY FAMILIES AND DISABLED
9 FAMILIES.—Notwithstanding any other provi-
10 sion of this Act, this paragraph shall not apply
11 to elderly families and disabled families.”; and

12 (F) by adding at the end the following new
13 paragraphs:

14 “(7) REVIEWS OF FAMILY INCOME.—

15 “(A) FREQUENCY.—Reviews of family in-
16 come for purposes of this section shall be
17 made—

18 “(i) in the case of all families, upon
19 the initial provision of housing assistance
20 for the family;

21 “(ii) annually thereafter, except as
22 provided in subparagraph (B)(i);

23 “(iii) upon the request of the family,
24 at any time the income or deductions
25 (under subsection (b)(5)) of the family

1 change by an amount that is estimated to
2 result in a decrease of \$1,200 (or such
3 lower amount as the public housing agency
4 or owner may, at the option of the agency
5 or owner, establish) or more in annual ad-
6 justed income; and

7 “(iv) at any time the income or deduc-
8 tions (under subsection (b)(5)) of the fam-
9 ily change by an amount that is estimated
10 to result in an increase of \$1,200 or more
11 in annual adjusted income, except that any
12 increase in the earned income of a family
13 shall not be considered for purposes of this
14 clause (except that earned income may be
15 considered if the increase corresponds to
16 previous decreases under clause (iii)), ex-
17 cept that a public housing agency or owner
18 may elect not to conduct such review in the
19 last three months of a certification period.

20 “(B) FIXED-INCOME FAMILIES.—

21 “(i) SELF CERTIFICATION AND 3-YEAR
22 REVIEW.—In the case of any family de-
23 scribed in clause (ii), after the initial re-
24 view of the family’s income pursuant to
25 subparagraph (A)(i), the public housing

1 agency or owner shall not be required to
2 conduct a review of the family's income
3 pursuant to subparagraph (A)(ii) for any
4 year for which such family certifies, in ac-
5 cordance with such requirements as the
6 Secretary shall establish, that the income
7 of the family meets the requirements of
8 clause (ii) of this subparagraph and that
9 the sources of such income have not
10 changed since the previous year, except
11 that the public housing agency or owner
12 shall conduct a review of each such fam-
13 ily's income not less than once every 3
14 years.

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

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

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

10 “(II) Social Security payments;

11 “(III) Federal, State, local and
12 private pension plans; and

13 “(IV) other periodic payments re-
14 ceived from annuities, insurance poli-
15 cies, retirement funds, disability or
16 death benefits, and other similar types
17 of periodic receipts that are of sub-
18 stantially the same amounts from year
19 to year.

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

25 “(8) CALCULATION OF INCOME.—

1 “(A) USE OF CURRENT YEAR INCOME.—In
2 determining family income for initial occupancy
3 or provision of housing assistance pursuant to
4 clause (i) of paragraph (7)(A) or pursuant to
5 reviews pursuant to clause (iii) or (iv) of such
6 paragraph, a public housing agency or owner
7 shall use the income of the family as estimated
8 by the agency or owner for the upcoming year.

9 “(B) USE OF PRIOR YEAR INCOME.—In
10 determining family income for annual reviews
11 pursuant to paragraph (7)(A)(ii), a public hous-
12 ing agency or owner shall, except as otherwise
13 provided in this paragraph, use the income of
14 the family as determined by the agency or
15 owner for the preceding year, taking into con-
16 sideration any redetermination of income during
17 such prior year pursuant to clause (iii) or (iv)
18 of paragraph (7)(A).

19 “(C) INFLATIONARY ADJUSTMENT FOR
20 FIXED INCOME FAMILIES.—

21 “(i) IN GENERAL.—In any year in
22 which a public housing agency or owner
23 does not conduct a review of income for
24 any family described in clause (ii) of para-
25 graph (7)(B) pursuant to the authority

1 under clause (i) of such paragraph to
2 waive such a review, such family's prior
3 year's income determination shall, subject
4 to clauses (ii) and (iii), be adjusted by ap-
5 plying an inflationary factor as the Sec-
6 retary shall, by regulation, establish.

7 “(ii) EXEMPTION FROM ADJUST-
8 MENT.—A public housing agency or owner
9 may exempt from an adjustment pursuant
10 to clause (i) any income source for which
11 income does not increase from year to
12 year.

13 “(iii) APPLICABILITY OF INFLA-
14 TIONARY FACTOR.—The inflationary factor
15 adjustment referred to in clause (i) shall
16 not be made with respect to the first year
17 after the year in which housing is occupied
18 or housing assistance is initially provided
19 for a family.

20 “(D) OTHER INCOME.—In determining the
21 income for any family based on the prior year's
22 income, with respect to prior year calculations
23 of income not subject to subparagraph (B), a
24 public housing agency or owner may make other

1 adjustments as it considers appropriate to re-
2 flect current income.

3 “(E) SAFE HARBOR.—A public housing
4 agency or owner may, to the extent such infor-
5 mation is available to the public housing agency
6 or owner, determine the family’s income prior
7 to the application of any deductions based on
8 timely income determinations made for pur-
9 poses of other means-tested Federal public as-
10 sistance programs (including the program for
11 block grants to States for temporary assistance
12 for needy families under part A of title IV of
13 the Social Security Act, a program for Medicaid
14 assistance under a State plan approved under
15 title XIX of the Social Security Act, and the
16 food stamp program as defined in section 3(h)
17 of the Food Stamp Act of 1977). The Secretary
18 shall, in consultation with other appropriate
19 Federal agencies, develop procedures to enable
20 public housing agencies and owners to have ac-
21 cess to such income determinations made by
22 other means-tested Federal programs that the
23 Secretary determines to have comparable reli-
24 ability. Exchanges of such information shall be
25 subject to the same limitations and tenant pro-

1 tections provided under section 904 of the
2 Stewart B. McKinney Homeless Assistance Act
3 Amendments of 1988 (42 U.S.C. 3544) with re-
4 spect to information obtained under the require-
5 ments of section 303(i) of the Social Security
6 Act (42 U.S.C. 503(i)).

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

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

14 (3) by redesignating subsection (f) as sub-
15 section (d).

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

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

20 “(4) INCOME.—The term ‘income’ means, with
21 respect to a family, income received from all sources
22 by each member of the household who is 18 years
23 of age or older or is the head of household or spouse
24 of the head of the household, plus unearned income
25 by or on behalf of each dependent who is less than

1 18 years of age, as determined in accordance with
2 criteria prescribed by the Secretary, in consultation
3 with the Secretary of Agriculture, subject to the fol-
4 lowing requirements:

5 “(A) INCLUDED AMOUNTS.—Such term in-
6 cludes recurring gifts and receipts, actual in-
7 come from assets, and profit or loss from a
8 business.

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

11 “(i) any imputed return on assets;

12 “(ii) any amounts that would be eligi-
13 ble for exclusion under section 1613(a)(7)
14 of the Social Security Act (42 U.S.C.
15 1382b(a)(7)); and

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

20 “(C) EARNED INCOME OF STUDENTS.—
21 Such term does not include earned income of
22 any dependent earned during any period that
23 such dependent is attending school on a full-
24 time basis or any grant-in-aid or scholarship

1 amounts related to such attendance used for
2 the cost of tuition or books.

3 “(D) EDUCATIONAL SAVINGS ACCOUNTS.—
4 Income shall be determined without regard to
5 any amounts in or from, or any benefits from,
6 any Coverdell education savings account under
7 section 530 of the Internal Revenue Code of
8 1986 or any qualified tuition program under
9 section 529 of such Code.

10 “(E) OTHER EXCLUSIONS.—Such term
11 shall not include other exclusions from income
12 as are established by the Secretary or any
13 amount required by Federal law to be excluded
14 from consideration as income. The Secretary
15 may not require a public housing agency or
16 owner to maintain records of any amounts ex-
17 cluded from income pursuant to this subpara-
18 graph.”; and

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

21 “(5) ADJUSTED INCOME.—The term ‘adjusted
22 income’ means, with respect to a family, the amount
23 (as determined by the public housing agency or
24 owner) of the income of the members of the family

1 residing in a dwelling unit or the persons on a lease,
2 after any deductions from income as follows:

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

5 “(i) the family’s earned income; or

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

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

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

23 “(C) DEPENDENTS.—In the case of any
24 family that includes a member or members
25 who—

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

4 “(ii) is a person with disabilities who
5 is 18 years of age or older and resides in
6 the household,

7 \$500 for each such member.

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

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

19 “(i) in the case of any elderly or dis-
20 abled family, any unreimbursed health and
21 medical care expenses; and

22 “(ii) any unreimbursed reasonable at-
23 tendant care and auxiliary apparatus ex-
24 penses for each handicapped member of
25 the family, to the extent necessary to en-

1 able any member of such family to be em-
2 ployed.

3 “(F) PERMISSIVE DEDUCTIONS.—Such ad-
4 ditional deductions as a public housing agency
5 may, at its discretion, establish, except that the
6 Secretary shall establish procedures to ensure
7 that such deductions do not materially increase
8 Federal expenditures.

9 The Secretary shall annually calculate the amounts
10 of the deductions under subparagraphs (B) and (C),
11 as such amounts may have been previously cal-
12 culated, by applying an inflationary factor as the
13 Secretary shall, by regulation, establish, except that
14 the actual deduction determined for each year shall
15 be established by rounding such amount to the next
16 lowest multiple of \$25.”.

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

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

22 (2) in subparagraph (A)—

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

1 (B) by striking “and shall be conducted
2 upon the initial provision of housing assistance
3 for the family and thereafter not less than an-
4 nually”; and

5 (3) in subparagraph (B), by striking the second
6 sentence.

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

12 (e) PROJECT-BASED HOUSING.—Paragraph (3) of
13 section 8(c) of the United States Housing Act of 1937
14 (42 U.S.C. 1437f(c)(3)) is amended by striking the last
15 sentence.

16 (f) IMPACT ON PUBLIC HOUSING REVENUES.—

17 (1) ADJUSTMENTS TO OPERATING FORMULA.—

18 If the Secretary of Housing and Urban Development
19 determines that the application of the amendments
20 made by this section results in a material and dis-
21 proportionate reduction in the rental income of cer-
22 tain public housing agencies during the first year in
23 which the amendments made by this section are im-
24 plemented, the Secretary may make appropriate ad-

1 justments in the formula income for such year of
2 those agencies experiencing such a reduction.

3 (2) HUD REPORTS ON REVENUE AND COST IM-
4 PACT.—In each of the first two years after the first
5 year in which the amendments made by this section
6 are implemented, the Secretary of Housing and
7 Urban Development shall submit a report to Con-
8 gress identifying and calculating the impact of
9 changes made by the amendments made by this sec-
10 tion and sections 4 and 5 of this Act on the revenues
11 and costs of operating public housing units, the
12 voucher program for rental assistance under section
13 8 of the United States Housing Act of 1937, and
14 the program under such section 8 for project-based
15 rental assistance. If such report identifies a material
16 reduction in the net income of public housing agen-
17 cies nationwide or a material increase in the costs of
18 funding the voucher program or the project-based
19 assistance program, the Secretary may include in
20 such report recommendations for legislative changes
21 to reduce or eliminate such a reduction.

22 (g) EFFECTIVE DATE.—The amendments made by
23 this section shall take effect during the first calendar year
24 after regulations or notice has been adopted to implement
25 such amendments, except that the Secretary may delay

1 such effective date by one year upon a determination that
 2 such delay is necessary for public housing agencies and
 3 owners to make the necessary changes to comply with such
 4 amendments.

5 **SEC. 4. ELIGIBILITY FOR ASSISTANCE BASED ON ASSETS**
 6 **AND INCOME.**

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

10 “(e) ELIGIBILITY FOR ASSISTANCE BASED ON AS-
 11 SETS.—

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

18 “(A) whose net family assets exceed
 19 \$100,000, as such amount is adjusted annually
 20 by applying an inflationary factor as the Sec-
 21 retary considers appropriate; or

22 “(B) who has a present ownership interest
 23 in, a legal right to reside in, and the effective
 24 legal authority to sell, real property that is suit-
 25 able for occupancy as a residence, except that

1 the prohibition under this subparagraph shall
2 not apply to—

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

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

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

9 “(2) NET FAMILY ASSETS.—

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

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

23 “(i) the value of personal property, ex-
24 cept for items of personal property of sig-
25 nificant value, as the Secretary may estab-

1 lish or the public housing agency may de-
2 termine;

3 “ (ii) the value of any retirement ac-
4 count;

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

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

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

19 “ (vi) such other exclusions as the Sec-
20 retary may establish.

21 “(C) TRUST FUNDS.—In cases in which a
22 trust fund has been established and the trust is
23 not revocable by, or under the control of, any
24 member of the family or household, the value of
25 the trust fund shall not be considered an asset

1 of a family if the fund continues to be held in
2 trust. Any income distributed from the trust
3 fund shall be considered income for purposes of
4 section 3(b) and any calculations of annual
5 family income, except in the case of medical ex-
6 penses for a minor.

7 “(3) SELF-CERTIFICATION.—

8 “(A) NET FAMILY ASSETS.—A public
9 housing agency or owner may determine the net
10 assets of a family, for purposes of this section,
11 based on a certification by the family—

12 “(i) that the net assets of such family
13 do not exceed \$50,000; or

14 “(ii) of the amounts reported by the
15 family at the time the agency or owner re-
16 views the family’s income.

17 “(B) NO CURRENT REAL PROPERTY OWN-
18 ERSHIP.—A public housing agency or owner
19 may determine compliance with paragraph
20 (1)(B) based on a certification by the family
21 that such family does not have any current
22 ownership interest in any real property at the
23 time the agency or owner reviews the family’s
24 income.

1 “(C) STANDARDIZED FORMS.—The Sec-
2 retary may develop standardized forms for the
3 certifications referred to in subparagraphs (A)
4 and (B).

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

13 “(5) ELDERLY AND DISABLED FAMILIES.—
14 When recertifying the income of an elderly or dis-
15 abled family residing in a dwelling unit assisted
16 under this Act, a public housing agency or owner
17 may choose not to enforce the limitation under para-
18 graph (1) or may establish exceptions to such limita-
19 tion based on eligibility criteria, but only pursuant
20 to a policy that is set forth in the public housing
21 agency plan under section 5A for the agency or
22 under a policy adopted by the owner. Eligibility cri-
23 teria for establishing exceptions may provide for sep-
24 arate treatment for elderly and disabled families and
25 may be based on different factors, such as age, in-

1 come, the ability of the family to find suitable alter-
2 native housing, and whether supportive services are
3 being provided.

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

11 (b) INCOME.—The United States Housing Act of
12 1937 is amended—

13 (1) in section 3(a)(1) (42 U.S.C. 1437a(a)(1)),
14 by striking the first sentence and inserting the fol-
15 lowing: “Dwelling units assisted under this Act may
16 be rented, and assistance under this Act may be pro-
17 vided, whether initially or at time of recertification,
18 only to families who are low-income families at the
19 time such initial or continued assistance, respec-
20 tively, is provided, except that families residing in
21 dwelling units as of the date of the enactment of the
22 Section 8 Voucher Reform Act of 2009 that, under
23 agreements in effect on such date of enactment, may
24 have incomes up to 95 percent of local area median
25 income shall continue to be eligible for assistance at

1 recertification as long as they continue to comply
2 with such income restrictions. When recertifying
3 family income with respect to families residing in
4 public housing dwelling units, a public housing agen-
5 cy may, in the discretion of the agency and only pur-
6 suant to a policy that is set forth in the public hous-
7 ing agency plan under section 5A for the agency,
8 choose not to enforce the prohibition under the pre-
9 ceding sentence. When recertifying family income
10 with respect to families residing in dwelling units for
11 which project-based assistance is provided, a project
12 owner may, in the owner’s discretion and only pur-
13 suant to a policy adopted by such owner, choose not
14 to enforce such prohibition. In the case of a family
15 residing in a dwelling unit assisted under this Act
16 who does not meet the requirements under the first
17 sentence of this paragraph or the requirements
18 under section 8(o)(4), the public housing agency or
19 project owner may delay eviction or termination of
20 the family based on such noncompliance for a period
21 of not more than 6 months.”;

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

1 “(4) ELIGIBLE FAMILIES.—Assistance under
2 this subsection may be provided, whether initially or
3 at each recertification, only pursuant to subsection
4 (t) to a family eligible for assistance under such sub-
5 section or to a family who at the time of such initial
6 or continued assistance, respectively, is a low-income
7 family that is—”; and

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

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

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

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

23 (2) by inserting before the period at the end the
24 following: “; and except that clause (A) of this sen-
25 tence shall not apply in the case of public housing

1 agencies located in Puerto Rico or any other terri-
2 tory or possession of the United States”.

3 (b) PUBLIC HOUSING.—Section 16(a)(2)(A) of the
4 United States Housing Act of 1937 (42 U.S.C.
5 1437n(a)(2)(A)) is amended—

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

12 (2) by inserting before the period at the end the
13 following: “; and except that clause (i) of this sen-
14 tence shall not apply in the case of projects located
15 in Puerto Rico or any other territory or possession
16 of the United States”.

17 (c) PROJECT-BASED SECTION 8 ASSISTANCE.—Sec-
18 tion 16(c)(3) of the United States Housing Act of 1937
19 (42 U.S.C. 1437n(c)(3)) is amended—

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

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

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

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

11 “(dd) TENANT-BASED VOUCHERS.—

12 “(1) AUTHORIZATION OF APPROPRIATIONS.—

13 There are authorized to be appropriated, for each of
14 fiscal years 2010 through 2014, such sums as may
15 be necessary for tenant-based assistance under sub-
16 section (o) for the following purposes:

17 “(A) To renew all expiring annual con-
18 tributions contracts for tenant-based rental as-
19 sistance.

20 “(B) To provide tenant-based rental assist-
21 ance for—

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

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

1 “(iii) 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 “(iv) enhanced vouchers authorized
7 under subsection (t) of this section;

8 “(v) relocation or replacement in con-
9 nection with the HOPE VI program under
10 section 24;

11 “(vi) demolition or disposition of pub-
12 lic housing units pursuant to section 18 of
13 the United States Housing Act of 1937
14 (42 U.S.C. 1437p);

15 “(vii) mandatory conversions of public
16 housing to vouchers, pursuant to section
17 33 of the United States Housing Act of
18 1937, respectively (42 U.S.C. 1437z-5);

19 “(viii) voluntary conversions of public
20 housing to vouchers, pursuant to section
21 22 of the United States Housing Act of
22 1937, respectively (42 U.S.C. 1437t);

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

1 “(x) tenant protection vouchers in
2 connection with dwelling units that cease
3 to receive project-based assistance under
4 subsection (b), (c), (d), (e), or (v) of this
5 section;

6 “(xi) relocation and replacement
7 vouchers in connection with public housing
8 units that are demolished or disposed of
9 pursuant to eminent domain, pursuant to a
10 homeownership program, or in connection
11 with a mixed finance development method
12 under section 35 or otherwise;

13 “(xii) vouchers used for the preserva-
14 tion of public housing units not included in
15 the operating formula under section
16 9(e)(2) of the United States Housing Act
17 of 1937 (42 U.S.C. 1437g(e)(2));

18 “(xiii) emergency voucher assistance
19 for the protection of victims of domestic vi-
20 olence, dating violence, sexual assault, or
21 stalking;

22 “(xiv) tenant protection vouchers in
23 connection with the foreclosure or disposi-
24 tion of multifamily housing subject to a

1 mortgage insured and subsidized under the
2 National Housing Act; and

3 “(xv) tenant protection assistance, in-
4 cluding replacement and relocation assist-
5 ance.

6 Subject only to the availability of sufficient
7 amounts provided in appropriation Acts, the
8 Secretary shall provide tenant-based rental as-
9 sistance in connection with all dwelling units
10 that cease to be available as assisted housing as
11 a result of clauses (i), (iv), (v), (vi), (vii), (x),
12 (xi), and (xiv).

13 “(2) ALLOCATION OF RENEWAL FUNDING
14 AMONG PUBLIC HOUSING AGENCIES.—

15 “(A) From amounts appropriated for each
16 year pursuant to paragraph (1)(A), the Sec-
17 retary shall provide renewal funding for each
18 public housing agency—

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

1 “(ii) by making any adjustments nec-
2 essary to provide for the first-time renewal
3 of vouchers funded under paragraph
4 (1)(B) and of any incremental vouchers
5 funded in previous years;

6 “(iii) by making any adjustments nec-
7 essary for full year funding of vouchers
8 moved into and out of the jurisdiction of
9 the public housing agency in the prior cal-
10 endar year pursuant to portability proce-
11 dures under subsection (r)(2); and

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

18 “(B) LEASING AND COST DATA.—For pur-
19 poses of subparagraph (A)(i), leasing and cost
20 data shall be calculated annually by using the
21 average for the preceding calendar year. Such
22 leasing and cost data shall be adjusted to in-
23 clude vouchers that were set aside under a com-
24 mitment to provide project-based assistance
25 under subsection (o)(13) and to exclude

1 amounts funded through advances under para-
2 graph (3). Such leasing and cost data shall not
3 include funds not appropriated for tenant-based
4 assistance under section 8(o), unless the agen-
5 cy's funding was prorated in the prior year and
6 the agency used other funds to maintain vouch-
7 ers in use.

8 “(C) OVERLEASING.—For the purpose of
9 determining allocations under subsection (A)(i),
10 the leasing rate calculated for the prior cal-
11 endar year may exceed an agency's authorized
12 voucher level, except that such calculation shall
13 not utilize a leasing rate in excess of 103 per-
14 cent of the leasing rate in the year preceding
15 such prior year (after making appropriate ad-
16 justments for incremental and new enhanced
17 vouchers) which results from the use of accu-
18 mulated amounts, as referred to in the last sen-
19 tence of paragraph (4)(A).

20 “(D) MOVING TO WORK; HOUSING INNOVA-
21 TION PROGRAM.—Notwithstanding subpara-
22 graphs (A) and (B), each public housing agency
23 participating in any year in the moving to work
24 program or the housing innovation program
25 under section 37 of this Act shall be funded

1 pursuant to its agreement under such program
2 and shall be subject to any pro rata adjustment
3 made under subparagraph (F)(i).

4 “(E) UNREIMBURSED PORTABILITY
5 COSTS.—The Secretary may reimburse public
6 housing agencies for increased costs related to
7 portability incurred during the prior year that
8 were not reimbursed pursuant to paragraph
9 (4)(B)(i).

10 “(F) PRO RATA ALLOCATION.—

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

22 “(ii) EXCESS FUNDS.—To the extent
23 that amounts made available for a fiscal
24 year exceed the amount necessary to pro-
25 vide each housing agency with the full allo-

1 cation for the agency determined pursuant
2 to subparagraphs (A) and (D), such excess
3 amounts shall be used for the purposes
4 specified in paragraph (4)(B).

5 “(G) PROMPT FUNDING ALLOCATION.—

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

11 “(3) ADVANCES.—

12 “(A) AUTHORITY.—During the last 3
13 months of each calendar year, the Secretary
14 shall provide amounts out of any appropriations
15 made pursuant to paragraph (1) for the fiscal
16 year beginning on October 1 of that calendar
17 year to any public housing agency, at the re-
18 quest of the agency, in an amount up to two
19 percent of the allocation for the agency for such
20 calendar year, subject to subparagraph (C).

21 “(B) USE.—Amounts advanced under sub-
22 paragraph (A) may be used to pay for addi-
23 tional voucher costs, including costs related to
24 temporary overleasing.

1 “(C) USE OF PRIOR YEAR AMOUNTS.—
2 During the last 3 months of a calendar year, if
3 amounts previously provided to a public housing
4 agency for tenant-based assistance for such
5 year or for previous years remain unobligated
6 and available to the agency—

7 “(i) the agency shall exhaust such
8 amounts to cover any additional voucher
9 costs under subparagraph (B) before
10 amounts advanced under subparagraph (A)
11 may be so used; and

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

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

25 “(4) OFFSET.—

1 “(A) IN GENERAL.—The Secretary shall
2 offset, from amounts provided under the annual
3 contributions contract for a public housing
4 agency for a calendar year, all accumulated
5 amounts allocated under paragraph (2) and
6 from previous years that are unused by the
7 agency at the end of each calendar year, except
8 for an amount not less than 6 percent of such
9 amount allocated to the agency pursuant to
10 paragraph (2) for the preceding calendar year.
11 Notwithstanding any other provision of law,
12 each public housing agency may retain all
13 amounts not offset under this subparagraph,
14 and may use such amounts for all authorized
15 purposes.

16 “(B) REALLOCATION.—Not later than the
17 latter of April 1 of each calendar year or 75
18 days after the enactment of an appropriations
19 Act providing funding for voucher renewal
20 costs, the Secretary shall, from amounts avail-
21 able pursuant to paragraph (2)(E) and from
22 any other available amounts appropriated for
23 such purpose—

24 “(i) set aside and subsequently make
25 available such amounts as the Secretary

1 considers likely to be needed, when com-
2 bined with funds from a central fund or
3 any other source of funds appropriated or
4 made available for such purpose, to reim-
5 burse public housing agencies for increased
6 costs related to portability and family self-
7 sufficiency activities pursuant to section
8 23(h) during such year; and

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

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

1 tions regarding portability procedures (24 C.F.R.
2 982.355), to eliminate, or minimize to the greatest extent
3 feasible consistent with available funding, billing between
4 agencies and administrative barriers to families' choices
5 of where to reside, without undermining the ability of pub-
6 lic housing agencies to serve their waiting lists. The Sec-
7 retary shall finalize regulations modifying such portability
8 procedures in accordance with this subsection not later
9 than the expiration of the 12-month period beginning
10 upon the date of the enactment of this Act.

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

20 **SEC. 7. ADMINISTRATIVE FEES.**

21 (a) **IN GENERAL.**—Section 8(q) of the United States
22 Housing Act of 1937 (42 U.S.C. 1437f(q)) is amended—
23 (1) in paragraph (1)—
24 (A) by striking subparagraphs (B) and (C)
25 and inserting the following new subparagraphs:

1 “(B) CALCULATION.—The fee under this
2 subsection shall—

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

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

18 “(iii) include an amount for the cost
19 of issuing a voucher to new participants;

20 “(iv) be updated each year using an
21 index of changes in wage and benefit data
22 or other objectively measurable data that
23 reflect the costs of administering the pro-
24 gram for such assistance, as determined by
25 the Secretary; and

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

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

7 (B) by striking subparagraph (E) and in-
8 serting the following new subparagraph;

9 “(E) FEE FOR AGENCY-OWNED UNITS.—
10 The Secretary shall establish a fee for dwelling
11 units owned by a public housing agency that re-
12 flects reasonable costs of administration, which
13 shall take into consideration the third-party in-
14 spection and rent determination expenses in-
15 curred in compliance with the requirements of
16 subsection (o)(11).”; and

17 (2) in paragraph (4), by striking “1999” and
18 inserting “2010”.

19 (b) ADMINISTRATIVE FEES FOR FAMILY SELF-SUF-
20 FICIENCY PROGRAM COSTS.—Subsection (h) of section 23
21 of the United States Housing Act of 1937 (42 U.S.C.
22 1437u(h)) is amended by striking paragraph (1) and in-
23 serting the following new paragraph:

24 “(1) SECTION 8 FEES.—

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

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

9 “(i) BASE FEE.—A public housing
10 agency serving 25 or more participants in
11 the family self-sufficiency program under
12 this section shall receive a fee equal to the
13 costs of employing one full-time family
14 self-sufficiency coordinator. An agency
15 serving fewer than 25 such participants
16 shall receive a prorated fee.

17 “(ii) ADDITIONAL FEE.—An agency
18 that meets minimum performance stand-
19 ards shall receive an additional fee suffi-
20 cient to cover the costs of employing a sec-
21 ond family self-sufficiency coordinator if
22 the agency has 75 or more participating
23 families, and a third such coordinator if it
24 has 125 or more participating families.

1 “(iii) PREVIOUSLY FUNDED AGEN-
2 CIES.—An agency that received funding
3 from the Department of Housing and
4 Urban Development for more than three
5 such coordinators in any of fiscal years
6 1998 through 2009 shall receive funding
7 for the highest number of coordinators
8 funded in a single fiscal year during that
9 period, provided they meet applicable size
10 and performance standards.

11 “(iv) INITIAL YEAR.—For the first
12 year in which a public housing agency ex-
13 ercises its right to develop an family self-
14 sufficiency program for its residents, it
15 shall be entitled to funding to cover the
16 costs of up to one family self-sufficiency
17 coordinator, based on the size specified in
18 its action plan for such program.

19 “(v) STATE AND REGIONAL AGEN-
20 CIES.—For purposes of calculating the
21 family self-sufficiency portion of the ad-
22 ministrative fee under this subparagraph,
23 each administratively distinct part of a
24 State or regional public housing agency
25 shall be treated as a separate agency.

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

13 “(C) PRORATION.—If insufficient funds
14 are available in any fiscal year to fund all of the
15 coordinators authorized under this section, the
16 first priority shall be given to funding one coor-
17 dinator at each agency with an existing family
18 self-sufficiency program. The remaining funds
19 shall be prorated based on the number of re-
20 maining coordinators to which each agency is
21 entitled under this subparagraph.

22 “(D) RECAPTURE.—Any fees allocated
23 under this subparagraph by the Secretary in a
24 fiscal year that have not been spent by the end
25 of the subsequent fiscal year shall be recaptured

1 by the Secretary and shall be available for pro-
2 viding additional fees pursuant to subparagraph
3 (B)(ii).

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

14 “(F) DATA COLLECTION.—Public housing
15 agencies receiving funding under this paragraph
16 shall collect and report to the Secretary, in such
17 manner as the Secretary shall require, informa-
18 tion on the performance of their family self-suf-
19 ficiency programs.

20 “(G) EVALUATION.—The Secretary shall
21 conduct a formal and scientific evaluation of
22 the effectiveness of well-run family self-suffi-
23 ciency programs, comparing outcomes of fami-
24 lies participating in such programs with fami-
25 lies who are not, using random assignment of

1 participants to the extent practicable. Not later
2 than the expiration of the 4-year period begin-
3 ning upon the enactment of this paragraph, the
4 Secretary shall submit an interim evaluation re-
5 port to the Congress. Not later than the expira-
6 tion of the 8-year period beginning upon such
7 enactment, the Secretary shall submit a final
8 evaluation report to the Congress. There is au-
9 thorized to be appropriated \$10,000,000 to
10 carry out the evaluation under this subpara-
11 graph.

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

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

1 **SEC. 8. HOMEOWNERSHIP.**

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

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

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

22 “(i) shall be used by the family only
23 as a contribution toward the downpayment
24 and reasonable and customary closing
25 costs required in connection with the pur-
26 chase of a home;

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

3 “(iii) may not exceed \$10,000.

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

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

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

18 (2) in subparagraph (B)—

19 (A) in clause (i), by striking “the rent”
20 and all that follows and inserting the following:
21 “rent shall mean the sum of the monthly pay-
22 ments made by a family assisted under this
23 paragraph to amortize the cost of purchasing
24 the manufactured home, including any required
25 insurance and property taxes, the monthly

1 amount allowed for tenant-paid utilities, and
2 the monthly rent charged for the real property
3 on which the manufactured home is located, in-
4 cluding monthly management and maintenance
5 charges.”;

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

7 (C) in clause (iii)—

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

20 (ii) by redesignating such clause as
21 clause (ii).

22 **SEC. 9. PHA REPORTING OF RENT PAYMENTS TO CREDIT**
23 **REPORTING AGENCIES.**

24 Section 3 of the United States Housing Act of 1937
25 (42 U.S.C. 1437a), as amended by the preceding provi-

1 sions of this Act, is further amended by adding at the end
2 the following new subsection:

3 “(e) PHA REPORTING OF RENT PAYMENTS TO
4 CREDIT REPORTING AGENCIES.—

5 “(1) AUTHORITY.—To the extent that a family
6 receiving tenant-based housing choice vouchers
7 under section 8 by a public housing agency agrees
8 in writing to reporting under this subsection, the
9 public housing agency may submit to consumer re-
10 porting agencies described in section 603(p) of the
11 Fair Credit Reporting Act (15 U.S.C. 1681a) infor-
12 mation regarding the past rent payment history of
13 the family with respect to the dwelling unit for
14 which such assistance is provided.

15 “(2) FORMAT.—The Secretary, after consulta-
16 tion with consumer reporting agencies referred in
17 paragraph (1), shall establish a system and format
18 to be used by public housing agencies for reporting
19 of information under such paragraph that provides
20 such information in a format and manner that is
21 similar to other credit information submitted to such
22 consumer reporting agencies and is usable by such
23 agencies.”.

1 **SEC. 10. 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) Extent to which dwelling units
18 comply with housing quality standards, in-
19 cluding compliance with inspection require-
20 ments.

21 “(ii) Extent of utilization of assist-
22 ance amounts provided to the agency and
23 of authorized vouchers, using appropriate
24 adjustments for vouchers set aside to meet
25 commitments under paragraph (13).

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

3 “(iv) Effectiveness in carrying out
4 policies that result in deconcentration of
5 poverty.

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

9 “(vi) Accurate calculations of rent,
10 utility allowances, and subsidy payments.

11 “(vii) Effectiveness in carrying out
12 family self-sufficiency activities.

13 “(viii) Timeliness of actions related to
14 landlord participation.

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

17 “(x) Such other areas as the Sec-
18 retary considers appropriate.

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

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

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

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

12 “(D) APPLICABILITY.—When imple-
13 mented, the performance assessment standards
14 and procedures under this paragraph shall
15 supercede the Section 8 Management Assess-
16 ment Program of the Secretary then in effect.”.

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

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

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

22 “(B) PERCENTAGE LIMITATION.—

23 “(i) IN GENERAL.—Subject to clause
24 (ii), not more than 25 percent of the fund-
25 ing available for tenant-based assistance

1 under this section that is administered by
2 the agency may be attached to structures
3 pursuant to this paragraph.

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

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

22 “(D) INCOME MIXING REQUIREMENT.—

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

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

9 “(ii) EXCEPTIONS.—

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

25 “(II) CERTAIN AREAS.—

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

20 “(bb) With respect to census
21 tracts with a poverty rate of 20
22 percent or less, clause (i) shall be
23 applied by substituting ‘50 per-
24 cent’ for ‘25 percent’ and the

1 Secretary may, by regulation, es-
2 tablish additional conditions.”;

3 (3) 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 disclose to each applicant all other options in
2 the selection of a project in which to reside that
3 are provided by the public housing agency and
4 are available to the applicant.”; and

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

14 (4) by adding at the end the following new sub-
15 paragraphs:

16 “(N) STRUCTURE OWNED BY AGENCY.—
17 Notwithstanding any other provision of law, as
18 part of an initiative to improve, develop, or re-
19 place a public housing site, a public housing
20 agency may attach assistance to an existing,
21 newly constructed, or rehabilitated structure in
22 which the agency has an ownership interest
23 without following a competitive process, but
24 only if the agency includes such initiative in its
25 public housing agency plan approved under sec-

1 tion 5A and the units that receive such assist-
2 ance will not receive assistance under section 9.
3 The preceding sentence may not be construed
4 to limit the ability of a public housing agency
5 to attach assistance to structures under other
6 applicable law.

7 “(O) LEASES AND TENANCY.—Assistance
8 provided under this paragraph shall be subject
9 to the provisions of paragraph (7), except that
10 subparagraph (A) of such paragraph shall not
11 apply. Notwithstanding any other provision of
12 law, for the term of the contract under this
13 paragraph, the owner may terminate tenancy
14 only for serious or repeated violations of the
15 terms and conditions of the lease or for viola-
16 tion of applicable law.

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

24 “(Q) RENT FLEXIBILITY.—If a dwelling
25 unit assisted under this paragraph also receives

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

10 **SEC. 12. RENT BURDENS.**

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

15 “(E) **REVIEWS.**—

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

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

17 “(ii) CONCENTRATION OF POVERTY.—

18 The Secretary shall submit a report to the
19 Congress annually on the degree to which
20 families assisted under this subsection in
21 each metropolitan area are clustered in
22 lower rent, higher poverty areas, which
23 shall include reporting of data by race and
24 ethnicity, and how, and the extent to
25 which, greater geographic distribution of

1 such assisted families could be achieved,
2 including by increasing payment standards
3 for particular communities within such
4 metropolitan areas.

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

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

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

23 (c) RENT BURDENS FOR PERSONS WITH DISABIL-
24 ITIES.—Subparagraph (D) of section 8(o)(1) is amended
25 by inserting before the period at the end the following:

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

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

10 (a) IN GENERAL.—Paragraph (1) of section 8(c) of
11 the United States Housing Act of 1937 (42 U.S.C.
12 1437f(c)(1)) is amended—

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

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

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

18 “(B)(i) The Secretary shall define market areas for
19 purposes of this paragraph in areas sufficiently distinct
20 as is necessary—

21 “(I) to establish fair market rentals that accu-
22 rately reflect typical rental costs of units suitable for
23 occupancy by persons assisted under this section in
24 communities in metropolitan and non-metropolitan
25 areas (including low poverty areas); and

1 “(II) to avoid concentration of voucher holders;
2 while taking into consideration the factors specified
3 in clause (ii).

4 “(ii) The factors specified in this clause are—

5 “(I) the efficient administration of the program
6 by public housing agencies and the administrative
7 costs of the Secretary of establishing additional
8 areas;

9 “(II) the availability of data for a sufficient
10 number of dwelling units to establish accurate fair
11 market rentals; and

12 “(III) the ability of public housing agencies to
13 adjust the payment standard to more accurately re-
14 flect typical rental costs.

15 “(iii) The Secretary shall establish procedures to per-
16 mit a public housing agency to request the establishment
17 of a separate market areas for either all or contiguous
18 parts of the areas under the jurisdiction of such agency.
19 The Secretary shall consider and approve any such request
20 using the criteria established in clause (i) and the consid-
21 erations under clause (ii).

22 “(iv) The Secretary shall not reduce the fair market
23 rental in a market area as a result of a change in the
24 percentile of the distribution of market rents used to es-
25 tablish the fair market rental.

1 “(v) The Secretary shall phase in large increases or
 2 decreases in the fair market rentals that result from
 3 changes in market area boundaries or other methodo-
 4 logical changes that do not reflect actual year-to-year
 5 trends in rents by limiting such increases or decreases to
 6 not more than 5 percent each year.”.

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

17 **SEC. 14. SCREENING OF APPLICANTS.**

18 (a) IN GENERAL.—Subparagraph (B) of section
 19 8(o)(6) of the United States Housing Act of 1937
 20 (1437f(o)(6)(B)) is amended—

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

23 “(B) SELECTION OF TENANTS.—

24 “(i) FUNCTION OF OWNER.—Each”;

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

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

5 “(ii) SCREENING.—In addition”;

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

7 “A public housing agency’s elective screening shall
8 be limited to criteria that are directly related to an
9 applicant’s ability to fulfill the obligations of an as-
10 sisted lease and shall consider mitigating cir-
11 cumstances related to such applicant. The require-
12 ments of the preceding sentence shall not limit the
13 ability of a public housing agency to deny assistance
14 based on an applicant’s criminal background or any
15 other permissible grounds for denial under subtitle F
16 of title V of the Quality Housing and Work Respon-
17 sibility Act of 1998 (42 U.S.C. 13661 et seq.; relat-
18 ing to safety and security in public and assisted
19 housing), subject to the procedural requirements of
20 this section. Any applicant or participant determined
21 to be ineligible for admission or continued participa-
22 tion to the program shall be notified of the basis for
23 such determination and provided, within a reason-
24 able time after the determination, an opportunity for
25 an informal hearing on such determination at which

1 mitigating circumstances, including remedial conduct
2 subsequent to the conduct that is the basis of such
3 determination, shall be considered.”; and

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

5 “(iii) EXISTING ASSISTED FAMI-
6 LIES.—Families being provided enhanced
7 vouchers pursuant to subsection (t), fami-
8 lies receiving assistance under this Act
9 that are subsequently provided tenant-
10 based assistance pursuant to subsection
11 (dd)(1)(B), and families residing in multi-
12 family housing subject to a mortgage in-
13 sured under the National Housing Act that
14 are provided tenant-based assistance pur-
15 suant to subsection (dd)(1)(B)(xiv) of this
16 section shall not be considered new appli-
17 cants under this paragraph and shall not
18 be subject to elective re-screening by a
19 public housing agency.”.

20 (b) LEASES AND TENANCY.—Subparagraph (E) of
21 section 8(o)(7) of the United States Housing Act of 1937
22 (42 U.S.C. 1437f(o)(7)(E)) is amended by inserting “ter-
23 mination or” after “any” the last place such term appears.

1 (c) DENIALS OF ADMISSION.—Section 576 of the
2 Quality Housing and Work Responsibility Act of 1998 (42
3 U.S.C. 13661) is amended—

4 (1) in subsection (b)—

5 (A) by striking paragraph (2);

6 (B) in paragraph (1)—

7 (i) in subparagraph (A), by inserting
8 “, based on documented evidence that is
9 credible and objective,” after “deter-
10 mines”;

11 (ii) in subparagraph (B), by striking
12 “that it has reasonable” and all that fol-
13 lows through “by other residents” and in-
14 serting “, based on documented evidence
15 that is credible and objective, is a chronic
16 abuser of alcohol, and who is not currently
17 participating in a supervised alcohol reha-
18 bilitation program”; and

19 (iii) by redesignating subparagraphs
20 (A) and (B) (as so amended) as para-
21 graphs (1) and (2) and realigning such
22 paragraphs, as so redesignated, so as to be
23 indented 2 ems from the left margin; and

1 (C) by striking the subsection designation
2 and all that follows through “Notwithstanding”
3 in paragraph (1) and inserting the following:

4 “(b) INELIGIBILITY OF ILLEGAL DRUG USERS AND
5 ALCOHOL ABUSERS.—Notwithstanding”; and

6 (2) in subsection (c)—

7 (A) in the section heading, by inserting
8 “CERTAIN” before “CRIMINAL”;

9 (B) in the matter that precedes paragraph
10 (1)—

11 (i) by inserting “, based on docu-
12 mented evidence that is credible and objec-
13 tive,” after “determines”;

14 (ii) by striking “a reasonable time”
15 and inserting “the 5-year period”; and

16 (iii) by striking “or other criminal ac-
17 tivity”;

18 (C) in paragraph (2), by striking “reason-
19 able” each place such term appears and insert-
20 ing “5-year”; and

21 (D) by adding after and below paragraph
22 (2) the following:

23 “No denial of admission may be made pursuant to this
24 subsection based on a misdemeanor conviction or activity

1 which is of a misdemeanor nature unless such denial is
2 based on a pattern of activity.”.

3 **SEC. 15. ENHANCED VOUCHERS.**

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

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

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

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

1 conditions of the lease or for violation of appli-
2 cable law; and

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

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

21 (1) REQUIREMENT.—Upon the termination
22 date for each assisted multifamily housing project,
23 to the extent that amounts for assistance under this
24 paragraph are provided in advance in appropriation
25 Acts, the Secretary of Housing and Urban Develop-

1 ment shall make enhanced voucher assistance under
2 section 8(t) of the United States Housing Act of
3 1937 (42 U.S.C. 1437f(t)) available on behalf of
4 each family described in paragraph (2).

5 (2) ELIGIBILITY.—A family described in this
6 paragraph is a family who—

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

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

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

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

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

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

21 (i) immediately before such termi-
22 nation date was assisted under the multi-
23 family housing subsidy program for the
24 project; and

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

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

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

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

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

23 (C) MODERATE-INCOME FAMILY.—The
24 term “moderate-income family” has the mean-
25 ing given such term in section 229 of the Low-

1 Income Housing Preservation and Resident
2 Homeownership Act of 1992 (12 U.S.C. 4119).

3 (D) MULTIFAMILY HOUSING SUBSIDY PRO-
4 GRAM.—The term “multifamily housing subsidy
5 program” means—

6 (i) the below-market interest rate
7 mortgage insurance program under section
8 221(d)(3) of the National Housing Act (12
9 U.S.C. 1715l(d)(3)); and

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

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

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

23 (ii) the affordability restrictions appli-
24 cable to the property because of assistance
25 for the property pursuant to a multifamily

1 housing subsidy program terminate with
2 respect to the property.

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

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

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

18 (b) WAIVER OF INCOME REQUIREMENTS.—The Sec-
19 retary of Housing and Urban Development may, to extent
20 necessary to allow rental assistance under section 8(o) of
21 the United States Housing Act of 1937 to be provided
22 on behalf of persons described in subsection (c) who par-
23 ticipate in a demonstration program described in such
24 subsection, and to allow such persons to be placed on a
25 waiting list for such assistance, partially or wholly dis-

1 regard increases in earned income for the purpose of rent
2 calculations under section 3 for such persons.

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

14 **SEC. 17. AUTHORIZATION OF APPROPRIATIONS.**

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

21 (1) tenant-based assistance; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 **SEC. 20. EFFECT OF FORECLOSURE ON SECTION 8 TENAN-**
2 **CIES.**

3 (a) USE OF RENTAL ASSISTANCE AMOUNTS.—Sec-
4 tion 8(o)(7) of the United States Housing Act of 1937
5 (42 U.S.C. 1437f(o)(7)(F)), as amended by section 703
6 of division A of Public Law 111–22 (123 Stat. 1661), is
7 amended—

8 (1) in subparagraph (F), by inserting after “oc-
9 cupied unit,” the following: “and if a public housing
10 agency is unable to make payments under the con-
11 tract to the immediate successor in interest after
12 foreclosure, due to action or inaction by the suc-
13 cessor in interest, including the rejection of pay-
14 ments or the failure of the successor to maintain the
15 unit in compliance with paragraph (8), or an inabil-
16 ity to identify the successor, the agency may use
17 funds that would have been used to pay the rental
18 amount on behalf of the family—

19 “(i) to pay for utilities that are the
20 responsibility of the owner under the lease
21 or applicable law, after taking reasonable
22 steps to notify the owner that it intends to
23 make payments to a utility provider in lieu
24 of payments to the owner, except prior no-
25 tification shall not be required in any case
26 in which the unit will be or has been ren-

1 dered uninhabitable due to the termination
2 or threat of termination of service, in
3 which case the public housing agency shall
4 notify the owner within a reasonable time
5 after making such payment; or

6 “(ii) for the family’s reasonable mov-
7 ing costs, including security deposit
8 costs.”;

9 (2) by striking “except that this provision and
10 the provisions related to foreclosure in subparagraph
11 (C) shall not” in subparagraph (F) and inserting the
12 following:

13 “The provisions related to foreclosure in subpara-
14 graphs (C) and (F)”;

15 (3) in the matter after and below subparagraph
16 (F), as amended by paragraph (2) of this sub-
17 section, by adding after the period at the end the
18 following: “For purposes of subparagraphs (C) and
19 (F), the term ‘immediate successor in interest’ in-
20 cludes a purchaser who purchases a property from
21 an immediate successor in interest.”.

22 (b) SUNSET.—Section 704 of division A of the Help-
23 ing Families Save Their Homes Act (Public Law 111–22;
24 123 Stat. 1662) is amended—

1 (1) by striking “This title, and any amend-
2 ments made by this title are” and inserting “Section
3 702 is”; and

4 (2) by striking “this title” and inserting “such
5 section”.

6 **SEC. 21. STUDY TO IDENTIFY OBSTACLES TO USING**
7 **VOUCHERS IN FEDERALLY SUBSIDIZED**
8 **HOUSING PROJECTS.**

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

1 housing owners or public housing agencies or other agen-
2 cies that, if addressed, could eliminate or reduce obstacles
3 to voucher holders in seeking occupancy in federally sub-
4 sidized housing projects. Such study shall include data on
5 the use of housing vouchers in federally subsidized housing
6 projects.

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

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

20 **SEC. 22. INTERAGENCY COUNCIL ON HOMELESSNESS.**

21 (a) TECHNICAL CORRECTION.—Section 202(e) of the
22 McKinney-Vento Homeless Assistance Act (42 U.S.C.
23 11312), as amended by section 1004 of Public Law 111–
24 22, is amended by striking “Chairman” and inserting
25 “Chairperson”.

1 (b) DUTIES.—Section 203 of the McKinney-Vento
2 Homeless Assistance Act (42 U.S.C. 11313), as amended
3 by section 1004 of Public Law 111–22, is amended—

4 (1) in subsection (a)—

5 (A) by redesignating paragraphs (6)
6 through (13) as paragraphs (9), and (16), re-
7 spectively;

8 (B) in paragraph (1), by inserting “which
9 shall set forth actions to accomplish the goal of
10 ending homelessness,” after “National Strategic
11 Plan to End Homelessness,”;

12 (C) in paragraph (3), by inserting before
13 the semicolon at the end the following: “and en-
14 sure that related programs and activities to as-
15 sist homeless individuals of Federal agencies
16 are coordinated with each other”; and

17 (D) by inserting after paragraph (5) the
18 following new paragraphs:

19 “(6) make recommendations, in the reports
20 submitted pursuant to subsection (c) on—

21 “(A) long-term goals for the Congress to
22 reduce homelessness; and

23 “(B) legislative strategies for the Congress
24 to achieve such goals;

1 “(7) evaluate the Federal role in interacting
2 and coordinating with State and local entities that
3 address homelessness;

4 “(8) conduct research and develop methods—

5 “(A) through consultation with State and
6 local agencies, to improve coordination between
7 the Council and Federal agencies in existence
8 upon the date of enactment of the Interagency
9 Council on Homelessness Reform Act of 2009
10 that specifically deal with homelessness; and

11 “(B) to minimize the period during which
12 individuals remain homeless;” and

13 (2) in subsection (c), by adding at the end the
14 following new paragraphs:

15 “(3) BIENNIAL REPORT.—The Council shall
16 prepare and transmit to the President and the Con-
17 gress a biennial report detailing the efforts of the
18 Council to address homelessness.

19 “(4) PUBLIC AVAILABILITY.—The Council shall
20 make each report submitted to the Congress pursu-
21 ant to paragraph (1), (2), or (3) of this subsection,
22 and the national plan and updates of such plan sub-
23 mitted pursuant to paragraph (1) of subsection (a),
24 publicly available, including through posting on a
25 World Wide Web site maintained by the Council.”.

1 (c) AUTHORIZATION OF APPROPRIATIONS.—Section
2 208 of the McKinney-Vento Homeless Assistance Act (42
3 U.S.C. 11318), as amended by section 1004 of Public Law
4 111–22, is amended by striking “fiscal years 2011” and
5 inserting “each of fiscal years 2011 through 2015”.

6 **SEC. 23. HOUSING INNOVATION PROGRAM.**

7 (a) ESTABLISHMENT OF PROGRAM.—Title I of the
8 United States Housing Act of 1937 (42 U.S.C. 1437 et
9 seq.) is amended by adding at the end the following new
10 section:

11 **“SEC. 37. HOUSING INNOVATION PROGRAM.**

12 “(a) PURPOSE.—The purpose of the program under
13 this section is to establish a demonstration program under
14 which public housing agencies are given the flexibility to
15 design, and the Secretary is given the responsibility to
16 evaluate, innovative approaches to providing housing as-
17 sistance that—

18 “(1) increase housing opportunities for low-,
19 very low-, and extremely low-income families, includ-
20 ing modernizing, rehabilitating, reconfiguring, or re-
21 placing public housing at risk of physical deteriora-
22 tion or obsolescence, developing additional affordable
23 housing, providing supportive housing, and increas-
24 ing the number of families receiving tenant-based
25 rental assistance;

1 “(2) provide financial incentives and other sup-
2 port mechanisms to families to obtain employment
3 and increase earned income, and achieve economic
4 self-sufficiency, while protecting very low- and ex-
5 tremely low-income families from increased rent bur-
6 dens;

7 “(3) utilize funds in a more effective or cost-ef-
8 ficient manner, including achieving energy, adminis-
9 trative, and other cost savings;

10 “(4) leverage other Federal, State, and local
11 funding sources, including the low-income housing
12 tax credit program, to expand and preserve afford-
13 able housing opportunities, including public housing;

14 “(5) test alternative rent-setting policies to de-
15 termine whether rent determinations can be sim-
16 plified and administrative cost savings can be real-
17 ized while protecting extremely low- and very low-in-
18 come families from increased rent burdens;

19 “(6) are subject to rigorous evaluation to test
20 the effectiveness of such innovative approaches; and

21 “(7) are developed with the support of the local
22 community and with the substantial participation of
23 affected residents.

24 “(b) PROGRAM AUTHORITY.—

1 “(1) SCOPE.—The Secretary shall carry out a
2 housing innovation demonstration program under
3 this section under which the Secretary may des-
4 ignate such number of public housing agencies to
5 participate in the housing innovation demonstration
6 program as may be necessary, in conjunction with
7 agencies approved for continued program participa-
8 tion pursuant to subsection (c), to demonstrate the
9 effectiveness of the priority strategies identified in
10 subsection (d)(2). The Secretary may also designate
11 such number of additional agencies to participate in
12 the program under the terms of subsection (i) as
13 may be necessary to demonstrate other innovative
14 strategies as the Secretary or applicants may pro-
15 pose.

16 “(2) DURATION.—The Secretary may carry out
17 the housing innovation program under this section
18 only during the 10-year period beginning on the date
19 of the enactment of the Section 8 Voucher Reform
20 Act of 2009.

21 “(c) PARTICIPATION OF EXISTING MTW AGEN-
22 CIES.—

23 “(1) EXISTING MTW AGENCIES.—Subject to the
24 requirements of paragraph (2), all existing MTW

1 agencies shall be designated to participate in the
2 program.

3 “(2) CONDITIONS OF PARTICIPATION.—The
4 Secretary shall approve and transfer into the hous-
5 ing innovation program under this section each ex-
6 isting MTW agency that the Secretary determines is
7 not in default under such agreement and which the
8 Secretary also determines is meeting the goals and
9 objectives of its moving to work plan. Any agency
10 that has been audited by the Inspector General of
11 the Department of Housing and Urban Development
12 shall demonstrate compliance with the program rules
13 that the Inspector General determined were not
14 being complied with by such agency. Any agency ap-
15 proved for transfer into the housing innovation pro-
16 gram may, at its option, be subject to the provisions
17 of this paragraph, in lieu of an agreement currently
18 in place with the Secretary for participation in the
19 Moving to Work program. Each agency shall, within
20 two years after the date of the enactment of the Sec-
21 tion 8 Voucher Reform Act of 2009, make changes
22 to its policies that were implemented before such
23 date of enactment in order to comply with the re-
24 quirements of this section.

25 “(d) ADDITIONAL AGENCIES.—

1 “(1) PROPOSALS; SELECTION PROCESS.—In ad-
2 dition to agencies participating in the program pur-
3 suant to subsection (c), the Secretary shall, within
4 12 months after such date of enactment, select pub-
5 lic housing agencies to participate in the program
6 pursuant to a competitive process that meets the fol-
7 lowing requirements:

8 “(A) Any public housing agency may be se-
9 lected to participate in the program, except that
10 not more than 5 agencies that are near-troubled
11 under the public housing assessment system
12 and/or section 8 management assessment pro-
13 gram may be selected, and except that any
14 agency that is a troubled agency under either
15 such assessment program or for which the Sec-
16 retary has hired an alternative management en-
17 tity for such agency or has taken possession of
18 all or any part of such agency’s public housing
19 program shall not be eligible for participation.
20 Any near-troubled public housing agency par-
21 ticipating in the program shall remain subject
22 to the requirements of this Act governing ten-
23 ant rent contributions, eligibility, and continued
24 participation, and may not adopt policies de-
25 scribed in subsection (e)(4) (relating to rents

1 and requirements for continued occupation and
2 participation).

3 “(B) The process provides, to the extent
4 possible based on eligible agencies submitting
5 applications and taking into account existing
6 MTW agencies participating pursuant to sub-
7 section (c), for representation among agencies
8 selected of agencies having various characteris-
9 tics, including both large and small agencies,
10 agencies serving urban, suburban, and rural
11 areas, and agencies in various geographical re-
12 gions throughout the United States, and which
13 may include the selection of agencies that only
14 administer the voucher program under section
15 8(o).

16 “(C) Any agency submitting a proposal
17 under this paragraph shall have provided notice
18 to residents and the local community, not later
19 than 30 days before the first of the two public
20 meetings required under subparagraph (D).

21 “(D) The agency submitting a proposal
22 shall hold two public meetings to receive com-
23 ments on the agency’s proposed application, on
24 the implications of changes under the proposal,
25 and the possible impact on residents.

1 “(E) The process includes criteria for se-
2 lection, as follows:

3 “(i) The extent to which—

4 “(I) if proposal is for the purpose
5 of carrying out the priority strategy
6 under subsection (d)(2)(A), the pro-
7 posal is likely to achieve the purposes
8 of increasing housing opportunities for
9 low-, very low-, and extremely low-in-
10 come families, including modernizing,
11 rehabilitating, reconfiguring, or re-
12 placing public housing at risk of phys-
13 ical deterioration or obsolescence, de-
14 veloping additional affordable housing,
15 providing supportive housing, or in-
16 creasing the number of families re-
17 ceiving tenant-based rental assistance,
18 or a combination of these purposes;

19 “(II) if the proposal is for the
20 purpose of carrying out the priority
21 strategy under subsection (d)(2)(B),
22 the proposal is likely to achieve the
23 purposes of families obtaining employ-
24 ment, increasing earned income, or
25 achieving economic self-sufficiency,

1 while protecting extremely low- and
2 very low-income families from in-
3 creased rent burdens; or

4 “(III) if the proposal is for the
5 purpose of carrying out an innovative
6 strategy pursuant to the last sentence
7 of subsection (b)(1), the proposal is
8 likely to achieve the goals and objec-
9 tives of such strategy.

10 “(ii) The extent to which the proposal
11 generally identifies statutory provisions
12 and existing rules and regulations that im-
13 pede achievement of the goals and objec-
14 tives of the proposal and an explanation of
15 why a waiver of such statutory provisions,
16 rules, and regulations is necessary to
17 achieve such goals and objectives.

18 “(iii) The extent to which the agency
19 has a successful history of implementing or
20 has expertise in strategies similar to those
21 set forth in the agency’s proposal.

22 “(iv) The extent of commitment and
23 funding for carrying out the proposal by
24 local and State government agencies and
25 nonprofit organizations, including the pro-

1 vision of additional funding and other serv-
2 ices, and the extent of support for the pro-
3 posal by residents, resident advisory
4 boards, and members of the local commu-
5 nity.

6 “(v) Such other factors as the Sec-
7 retary may establish, in consultation with
8 participating agencies and agencies inter-
9 ested in participating in the program, pro-
10 gram stakeholders, and any entity con-
11 ducting evaluations pursuant to subsection
12 (f), which may include the extent to which
13 the proposal is likely to result in utilization
14 of funds in a more effective or cost-effi-
15 cient manner, including achieving energy,
16 administrative, and other cost savings.

17 “(2) PRIORITY STRATEGIES.—For purposes of
18 the first sentence of paragraph (b)(1), the following
19 are priority strategies:

20 “(A) INCREASING HOUSING OPPORTUNI-
21 TIES.—A strategy of development of increasing
22 housing opportunities for low-, very low-, and
23 extremely low-income families, including mod-
24 ernizing, rehabilitating, reconfiguring, or replac-
25 ing public housing at risk of physical deteriora-

1 tion or obsolescence, developing additional af-
2 fordable housing, providing supportive housing,
3 or increasing the number of families receiving
4 tenant-based rental assistance, or a combination
5 of these purposes.

6 “(B) RENT REFORMS AND FAMILY SELF-
7 SUFFICIENCY.—A strategy to implement rent
8 reforms and other self-sufficiency incentives or
9 resources, which shall be designed to help fami-
10 lies obtain employment, increase their earned
11 income, or achieve economic self-sufficiency,
12 while protecting extremely low- and very low-in-
13 come families from increased rent burdens.

14 “(3) CONTRACT AMENDMENT.—After selecting
15 agencies under this subsection, the Secretary shall
16 promptly amend the applicable annual contributions
17 contracts of such agencies to provide that—

18 “(A) subject to subparagraph (B), such
19 agencies may implement only such policies and
20 activities that are necessary to carry out the
21 priority strategy or innovative strategy or strat-
22 egies included in the application for participa-
23 tion in the program, without specifying such
24 policies and activities in such amendment and
25 without negotiating or entering into any other

1 agreements with the Secretary specifying such
2 policies and activities; and

3 “(B) the activities to be implemented by
4 an agency under the program in a given year
5 shall be described in and subject to the require-
6 ments of the annual plan under subsection
7 (e)(8).

8 “(e) PROGRAM REQUIREMENTS.—

9 “(1) PROGRAM FUNDS.—

10 “(A) IN GENERAL.—To the extent nec-
11 essary to carry out a housing innovation pro-
12 gram under this section, the participating agen-
13 cy may use amounts provided to the agency
14 from the Operating Fund under section 9(e),
15 amounts provided to the agency from the Cap-
16 ital Fund under section 9(d), and amounts pro-
17 vided to the agency for voucher assistance
18 under section 8(o). Such program funds may be
19 used for any activities that are authorized by
20 section 8(o) or 9, or for other activities that are
21 not inconsistent with this section, which may
22 include, without limitation—

23 “(i) providing capital and operating
24 assistance, and financing for housing pre-
25 viously developed or operated pursuant to

1 a contract between the Secretary and such
2 agency;

3 “(ii) the acquisition, new construction,
4 rehabilitation, financing, and provision of
5 capital or operating assistance for low-in-
6 come housing (including housing other
7 than public housing) and related facilities,
8 which may be for terms exceeding the term
9 of the program under this section in order
10 to secure other financing for such housing;

11 “(iii) costs of site acquisition and im-
12 provement, providing utility services, demo-
13 lition, planning, and administration of ac-
14 tivities under this paragraph;

15 “(iv) housing counseling for low-in-
16 come families in connection with rental or
17 homeownership assistance provided under
18 the program;

19 “(v) safety, security, law enforcement,
20 and antierime activities appropriate to pro-
21 tect and support families assisted under
22 the program;

23 “(vi) tenant-based rental assistance,
24 which may include the project-basing of
25 such assistance; and

1 “(vii) appropriate and reasonable fi-
2 nancial assistance that is required to pre-
3 serve low-income housing otherwise as-
4 sisted under programs administered by the
5 Secretary or under State or local low-in-
6 come housing or public housing programs.

7 “(B) COMBINING FUNDS.—Notwith-
8 standing any other provision of law, a partici-
9 pating agency may combine and use program
10 funds for any activities authorized under this
11 section, except that a participating agency may
12 use funds provided for assistance under section
13 8(o) for activities other than those authorized
14 under section 8(o) only if (i) in the calendar
15 year prior to its participation in the program,
16 the agency utilized not less than 95 percent of
17 such funds allocated for that calendar year for
18 such authorized activities or 95 percent of its
19 authorized vouchers; or (ii) after approval to
20 participate in the program, the agency achieves
21 such utilization for a 12-month period. Such
22 limitation shall not apply to participating agen-
23 cies approved by the Secretary to combine
24 funds from sections 8 and 9 of the Act prior to
25 enactment of this section. A public housing

1 agency that uses funds provided from assist-
2 ance under section 8(o) for activities not au-
3 thorized under such subsection may not termi-
4 nate assistance to families assisted under such
5 subsection on the grounds of inadequate fund-
6 ing to the extent such inadequacy is caused by
7 such use of funds for purposes not authorized
8 under section 8(o).

9 “(2) USE OF PROGRAM FUNDS.—In carrying
10 out the housing innovation program under this sec-
11 tion, each participating agency shall continue to as-
12 sist—

13 “(A) not less than 98 percent of the num-
14 ber of eligible low-income families under the
15 program as it assisted in the base year for the
16 agency; and

17 “(B) a comparable mix of families by fam-
18 ily size, subject to adjustment to reflect changes
19 in the agency’s waiting list, except that the Sec-
20 retary may approve exceptions to such require-
21 ments for up to 3 years based on modernization
22 or redevelopment activities proposed in an an-
23 nual plan submitted and approved in accord-
24 ance with paragraph (11).

1 Determinations with respect to the number of fami-
2 lies required to be served shall be adjusted to reflect
3 any allocation of additional vouchers under section
4 8(o), any change in annual voucher proration factor,
5 or such other appropriate adjustments as the Sec-
6 retary may establish. For purposes of subparagraph
7 (A), the term ‘base year’ means, with respect to ex-
8 isting MTW agencies, the first full calendar year
9 prior to approval and transfer, pursuant to sub-
10 section (c)(2), into the housing innovation program
11 under this section. The Secretary shall monitor and
12 enforce compliance with the requirements of sub-
13 paragraph (A) on an annual basis.

14 “(3) RETAINED PROVISIONS.—Each agency
15 that is approved to carry out one of the two priority
16 strategies identified in subsection (d)(2) shall comply
17 with all provisions of this Act except those that are
18 necessary to carry out one of such two priority strat-
19 egies. Notwithstanding any other provision of this
20 section, families receiving assistance under this sec-
21 tion shall retain the same rights of judicial review of
22 agency action as they would otherwise have had if
23 the agency were not participating in the program,
24 and each participating agency, including existing

1 MTW agencies, shall comply with the following pro-
2 visions of this Act:

3 “(A) Subsections (a)(2)(A) and (b)(1) of
4 section 16 (relating to targeting for new admis-
5 sions in the public housing and voucher pro-
6 grams).

7 “(B) Section 2(b) (relating to tenant rep-
8 resentatives on the public housing agency board
9 of directors).

10 “(C) Section 3(b)(2) (relating to defini-
11 tions for the terms ‘low-income families’ and
12 ‘very low-income families’).

13 “(D) Section 5(A)(e) (relating to the for-
14 mation of and consultation with a resident advi-
15 sory board).

16 “(E) Sections 6(f)(1) and 8(o)(8)(B) (re-
17 lating to compliance of units assisted with hous-
18 ing quality standards or other codes).

19 “(F) Sections 6(c)(3), 6(c)(4)(i), and
20 8(o)(6)(B) (relating to rights of public housing
21 applicants and existing procedural rights for
22 applicants under section 8(o)).

23 “(G) Section 6(k) (relating to grievance
24 procedures for public housing tenants) and

1 comparable procedural rights for families as-
2 sisted under section 8(o).

3 “(H) Section 6(l) (relating to public hous-
4 ing lease requirements), except that for units
5 assisted both with program funds and low-in-
6 come housing tax credits, the initial lease term
7 may be less than 12 months if required to con-
8 form lease terms with such tax credit require-
9 ments.

10 “(I) Section 7 (relating to designation of
11 housing for elderly and disabled households),
12 except that a participating agency may make
13 such designations (at initial designation or upon
14 renewal) for a term of up to 5 years if the
15 agency includes in its annual plan under para-
16 graph (11) an analysis of the impact of such
17 designations on affected households and such
18 designation is subject to the program evalua-
19 tion. Any participating agency with a des-
20 ignated housing plan that was approved under
21 the moving to work demonstration may con-
22 tinue to operate under the terms of such plan
23 for a term of 5 years (with an option to renew
24 on the same terms for an additional 5 years) if
25 it includes in its annual plan an analysis of the

1 impact of such designations on affected house-
2 holds and is subject to evaluation under sub-
3 section (f).

4 “(J) Subparagraphs (C) through (E) of
5 section 8(o)(7) and section 8(o)(20) (relating to
6 lease requirements and eviction protections for
7 families assisted with tenant-based assistance).

8 “(K) Section 8(o)(13)(B) (relating to a
9 percentage limitation on project-based assist-
10 ance), except that for purposes of this subpara-
11 graph such section shall be applied by sub-
12 stituting ‘50 percent’ for ‘20 percent’, and all
13 voucher funding that is used for non-tenant
14 based assistance purposes shall count towards
15 this calculation.

16 “(L) Section 8(o)(13)(E) (relating to resi-
17 dent choice for tenants of units with project-
18 based vouchers), except with respect to—

19 “(i) in the case of agencies partici-
20 pating in the moving to work demonstra-
21 tion, any housing assistance payment con-
22 tract entered into within 2 years after the
23 enactment of this section;

24 “(ii) project-based vouchers that re-
25 place public housing units;

1 “(iii) not more than 10 percent of the
2 vouchers available to the participating
3 agency upon entering the housing innova-
4 tion program under this section; and

5 “(iv) any project-based voucher pro-
6 gram that is subject to evaluation under
7 subsection (f).

8 Notwithstanding the exceptions under this sub-
9 paragraph, an agency may not eliminate resi-
10 dent choice under section 8(o)(13)(E) for more
11 than 25 percent of its authorized vouchers.

12 “(M) Section 8(r) (relating to portability
13 of voucher assistance), except that a partici-
14 pating agency may receive funding for port-
15 ability obligations under section 8(dd) in the
16 same manner as other public housing agencies.

17 “(N) Sections 8(ee) and 6(u) (relating to
18 records, certification and confidentiality regard-
19 ing domestic violence).

20 “(O) Subsections (a) and (b) of section 12
21 (relating to payment of prevailing wages).

22 “(P) Section 18 (relating to demolition and
23 disposition of public housing).

24 “(Q) Part 964 of title 24 of the Code of
25 Federal Regulations (relating to tenant partici-

1 pation and tenant opportunities in public hous-
2 ing).

3 “(4) RENTS AND REQUIREMENTS FOR CONTIN-
4 UED OCCUPANCY OR PARTICIPATION.—

5 “(A) BEFORE POLICY CHANGE.—Before
6 adopting any policy pursuant to participation in
7 the housing innovation program under this sec-
8 tion that would make a material change to the
9 requirements of this Act regarding tenant rents
10 or contributions, or conditions of continued oc-
11 cupancy or participation, a participating agency
12 shall complete each of the following actions:

13 “(i) The agency shall conduct an im-
14 pact analysis of the proposed policy on
15 families the agency is assisting under the
16 program under this section and on appli-
17 cants on the waiting list, including analysis
18 of the incidence and severity of rent bur-
19 dens greater than 30 percent of adjusted
20 income on households of various sizes and
21 types and in various income tiers, that
22 would result, if any, without application of
23 the hardship provisions. The analysis with
24 respect to applicants on the waiting list
25 may be limited to demographic data pro-

1 vided by the applicable consolidated plan,
2 information provided by the Secretary, and
3 other generally available information. The
4 proposed policy, including provisions for
5 addressing hardship cases and transition
6 provisions that mitigate the impact of any
7 rent increases or changes in the conditions
8 of continued occupancy or participation,
9 and data from this analysis shall be made
10 available for public inspection and copying,
11 on request, and for access through the
12 Internet, for at least 60 days in advance of
13 the public meeting described in clause (ii).

14 “(ii) The agency shall hold a public
15 meeting regarding the proposed change, in-
16 cluding the hardship provisions, which may
17 be combined with a public meeting on the
18 draft annual plan under paragraph (11) or
19 the annual report under subsection (h)(2).

20 “(iii) The board of directors or other
21 similar governing body of the agency shall
22 approve the change in public session.

23 “(iv) The agency shall obtain approval
24 from the Secretary of the annual plan or
25 plan amendment. The Secretary may ap-

1 prove a plan or amendment containing a
2 material change to the requirements of this
3 Act regarding tenant rents or contribu-
4 tions, or conditions of continued occupancy
5 or participation, only if such policy is in-
6 cluded as part of the national evaluation.

7 “(B) AFTER POLICY CHANGE.—After
8 adopting a policy described in subparagraph
9 (A), a program agency shall complete each of
10 the following actions:

11 “(i) The agency shall provide ade-
12 quate notice to residents, which shall in-
13 clude a description of the changes in the
14 public housing lease or participation agree-
15 ment that may be required and of the
16 hardship or transition protections offered.

17 “(ii) In the case of any additional re-
18 quirements for continued occupancy or
19 participation, the agency shall execute a
20 lease addendum or participation agreement
21 specifying the requirements applicable to
22 both the resident and the agency. A resi-
23 dent may bring a civil action to enforce
24 commitments of the agency made through

1 the lease addendum or participation agree-
2 ment.

3 “(iii) The agency shall reassess rent,
4 subsidy level, and policies on program par-
5 ticipation no less often than every two
6 years, which shall include preparing a re-
7 vised impact analysis, and make available
8 for public inspection and copying, on re-
9 quest, and for access through the Internet,
10 the results of such reassessment and im-
11 pact analysis. The requirement under this
12 clause may be met by sufficiently detailed
13 interim reports, if any, by the national
14 evaluating entity.

15 “(iv) The agency shall include in the
16 annual report under subsection (h)(2) in-
17 formation sufficient to describe any hard-
18 ship requests, including the number and
19 types of requests made, granted, and de-
20 nied, the use of transition rules, and ad-
21 verse impacts resulting from changes in
22 rent or continued occupancy policies, in-
23 cluding actions taken by the agency to
24 mitigate such impacts and impacts on fam-
25 ilies no longer assisted under the program.

1 “(C) APPLICABILITY TO EXISTING MTW
2 AGENCIES.—An existing MTW agency that, be-
3 fore the date of the enactment of this section,
4 implemented material changes to the require-
5 ments of this Act regarding tenant rents or
6 contributions, or conditions of continued occu-
7 pancy or participation, as part of the moving to
8 work demonstration shall not be subject to sub-
9 paragraph (A) with regard to such previously
10 implemented changes, but shall comply with the
11 requirements of subparagraph (B)(ii) and pro-
12 vide the evaluation and impact analysis required
13 by subparagraph (B)(iii) by the end of the sec-
14 ond agency fiscal year ending after such date of
15 enactment.

16 “(5) PROHIBITION AGAINST DECREASE IN PRO-
17 GRAM FUNDS.—The amount of program funds a
18 participating agency receives shall not be diminished
19 by its participation in the housing innovation pro-
20 gram under this section.

21 “(6) RENT BURDEN.—A participating agency
22 may not adopt rent policies that result in rents that
23 are not affordable to assisted families.

24 “(7) TIME LIMITS.—A participating agency
25 may implement time limits on the term of housing

1 assistance received by families under the program
2 only for families who—

3 “(A) are gainfully employed and have been
4 employed for at least 3 years; and

5 “(B) have earned income of at least 150
6 percent of the poverty level for a family of the
7 comparable size.

8 “(8) EMPLOYMENT CONDITIONS.—A partici-
9 pating agency may condition the receipt of housing
10 assistance by families under the program on the em-
11 ployment status of one or more families members
12 only if the agency—

13 “(A) permits compliance with a standard
14 of not more than 20 hours per week in quali-
15 fying work activity and permits compliance
16 based on attendance in a school or other insti-
17 tution in pursuit of a diploma or graduate
18 equivalency diploma;

19 “(B) establishes reasonable hardship ex-
20 emptions; and

21 “(C) suspends enforcement of such condi-
22 tion if the unemployment rate in the area
23 served by the agency exceeds such level as the
24 Secretary shall establish.

1 “(9) SUBMISSION OF INFORMATION.—As part
2 of the annual report required under subsection
3 (h)(2), each participating agency shall submit infor-
4 mation annually to the Secretary regarding families
5 assisted under the program of the agency and com-
6 ply with any other data submissions required by the
7 Secretary for purposes of evaluation of the program
8 under this section.

9 “(10) PUBLIC AND RESIDENT PARTICIPA-
10 TION.—Each participating agency shall provide op-
11 portunities for resident and public participation in
12 the annual plan under paragraph (11), as follows:

13 “(A) NOTICE TO RESIDENTS.—

14 “(i) NOTICE.—Each year, the agency
15 shall provide notice to the low-income fam-
16 ilies it serves under the programs author-
17 ized by this section as to the impact of
18 proposed policy changes and program ini-
19 tiatives and of the schedule of resident ad-
20 visory board and public meetings for the
21 annual plan.

22 “(ii) MEETING.—The agency shall
23 hold at least one meeting with the resident
24 advisory board (including representatives

1 of recipients of assistance under section 8)
2 to review the annual plan for each year.

3 “(B) PUBLIC MEETING.—With respect to
4 each annual plan, the agency shall hold at least
5 one annual public meeting to obtain comments
6 on the plan, which may be combined with a
7 meeting to review the annual report. In the case
8 of any agency that administers, in the aggre-
9 gate, more than 15,000 public housing units
10 and vouchers, or that operates in more than one
11 county, the agency shall hold additional meet-
12 ings in locations that promote attendance by
13 residents and other stakeholders.

14 “(C) PUBLIC AVAILABILITY.—Before adop-
15 tion of any annual plan, and not less than 30
16 days before the public meeting required under
17 subparagraph (A)(ii) with respect to the plan,
18 the agency shall make the proposed annual plan
19 available for public inspection and copying, on
20 request, and for access through the Internet.
21 The annual plan shall be made available for
22 public inspection not less than 30 days before
23 approval by the board of directors (or other
24 similar governing body) of the agency and shall
25 remain publicly available.

1 “(D) BOARD APPROVAL.—Before submit-
2 ting an annual plan or annual report to the
3 Secretary, the plan or report, as applicable,
4 shall be approved in a public meeting by the
5 board of directors or other governing body of
6 the agency.

7 “(11) ANNUAL PLAN.—

8 “(A) REQUIREMENT.—For each year that
9 a participating agency participates in the hous-
10 ing innovation program under this section, the
11 agency shall submit to the Secretary, in lieu of
12 all other planning requirements, an annual plan
13 under this paragraph.

14 “(B) CONTENTS.—Each annual plan shall
15 include the following information:

16 “(i) A list and description of all pro-
17 gram initiatives and generally applicable
18 policy changes, including references to af-
19 fected provisions of law or the imple-
20 menting regulations affected.

21 “(ii) A description and comparison of
22 changes under the housing innovation pro-
23 gram of the agency from the plan for such
24 program for the preceding year.

1 “(iii) A description of property rede-
2 velopment or portfolio repositioning strate-
3 gies and proposed changes in policies or
4 uses of funds required to implement such
5 strategies.

6 “(iv) Documentation of public and
7 resident participation sufficient to comply
8 with the requirements under paragraphs
9 (4) and (10), including a copy of any rec-
10 ommendations submitted in writing by the
11 resident advisory board of the agency and
12 members of the public, a summary of com-
13 ments, and a description of the manner in
14 which the recommendations were ad-
15 dressed.

16 “(v) Certifications by the agency
17 that—

18 “(I) the annual plan will be car-
19 ried out in conformity with title VI of
20 the Civil Rights Act of 1964, the Fair
21 Housing Act, section 504 of the Reha-
22 bilitation Act of 1973, title II of the
23 Americans with Disabilities Act of
24 1990, and the rules, standards, and
25 policies in the approved plan;

1 “(II) the agency will affirmatively
2 further fair housing; and

3 “(III) the agency has complied
4 and will continue to comply with its
5 obligations under the national evalua-
6 tion.

7 “(vi) A description of the agency’s
8 local asset management strategy for public
9 housing properties, which shall be in lieu
10 of any other asset management, project
11 based management or accounting, or other
12 system of allocating resources and costs to
13 participating agency assets or cost centers
14 that the Secretary may otherwise impose
15 under this Act.

16 “(C) CHANGES.—If the agency proposes to
17 make material changes in policies or initiatives
18 in the plan during the year covered by the plan,
19 the agency shall consult with the resident advi-
20 sory board for the agency established pursuant
21 to section 5A(e) and the public regarding such
22 changes before their adoption.

23 “(D) APPROVAL PROCESS.—

24 “(i) TIMING.—The Secretary shall re-
25 view and approve or disapprove each an-

1 nual plan submitted to the Secretary with-
2 in 45 days after such submission. The Sec-
3 retary, directly or through the public hous-
4 ing agency, shall make information relating
5 to such approval or disapproval available to
6 the chairperson of the Resident Advisory
7 Board of the public housing agency.

8 “(ii) STANDARDS FOR DIS-
9 APPROVAL.—The Secretary may dis-
10 approve a plan only if—

11 “(I) the Secretary reasonably de-
12 termines, based on information con-
13 tained in the annual plan or annual
14 report, that the agency is not in com-
15 pliance with the requirements of this
16 section;

17 “(II) the annual plan or most re-
18 cent annual report is not consistent
19 with other reliable information avail-
20 able to the Secretary; or

21 “(III) the annual plan or annual
22 report or the agency’s activities under
23 the program are not otherwise in ac-
24 cordance with applicable law or with
25 the agency’s application to participate

1 in the program pursuant to this sec-
2 tion.

3 “(iii) FAILURE TO DISAPPROVE.—If a
4 submitted plan is not disapproved within
5 45 days after submission, the plan shall be
6 considered to be approved for purposes of
7 this section. The preceding sentence shall
8 not preclude judicial review regarding such
9 compliance pursuant to chapter 7 of title
10 5, United States Code, or an action re-
11 garding such compliance under section
12 1979 of the Revised Statutes of the United
13 States (42 U.S.C. 1983).

14 “(f) EVALUATION OF PERFORMANCE.—

15 “(1) IN GENERAL.—The Secretary shall con-
16 duct detailed evaluations of all public housing agen-
17 cies participating in the program under this sec-
18 tion—

19 “(A) to determine the level of success of
20 each public housing agency in achieving the
21 goals and objectives of the application to par-
22 ticipate in the program;

23 “(B) to determine the level of success of
24 different types of proposals in achieving the pri-
25 ority strategies of subsection (d)(2) or other in-

1 novative strategies identified pursuant to sub-
2 section (b)(1); and

3 “(C) to identify program models that can
4 be replicated by other agencies to achieve such
5 success.

6 “(2) EVALUATION METHODOLOGY.—Evaluations
7 under this subsection shall be conducted utilizing
8 rigorous research methodology which shall incorporate,
9 where appropriate and to the extent funding
10 is available, the following:

11 “(A) Random assignment of families to experimental
12 and control groups.

13 “(B) Comparisons of alternative strategies
14 for advancing common goals.

15 “(C) An examination of the costs, outputs,
16 and outcomes of tested strategies.

17 “(D) A process evaluation that examines
18 the challenges faced in implementing tested
19 strategies and how those challenges were overcome.
20

21 “(E) A qualitative examination of the impacts
22 of tested strategies on affected families,
23 including families on agency waiting lists.

24 “(F) An examination of the impact of tested
25 strategies on the housing needs and condi-

1 tions of the jurisdiction in which the agency
2 works.

3 “(G) Appropriate sensitivity to the costs
4 that evaluation places on participating agencies,
5 including a recognition that smaller agencies
6 may have more difficulty than larger agencies
7 in responding to data requests.

8 “(3) ADVISORY COUNCIL.—The Secretary shall
9 establish an Advisory Council to provide input on
10 the policies and strategies to be tested in evaluations
11 under this subsection, data collection protocols, and
12 other matters related to the success of the evalua-
13 tion, and to assist the evaluating entity and the Sec-
14 retary in interpreting the findings and formulating
15 recommendations to the Congress to be included in
16 the final report. The Secretary may also establish a
17 separate Technical Advisory Group to provide input
18 on technical issues associated with the evaluation.

19 “(4) REPORTS.—

20 “(A) IN GENERAL.—The Secretary shall
21 submit three reports to the Congress, as pro-
22 vided in subparagraph (B), evaluating the pro-
23 grams of all public housing agencies partici-
24 pating in the program under this section and all
25 agencies participating in the moving to work

1 demonstration. Each such report shall include
2 findings and recommendations for any appro-
3 priate legislative action.

4 “(B) TIMING.—The reports under this
5 paragraph shall include—

6 “(i) an initial report, which shall be
7 submitted before the expiration of the 2-
8 year period beginning on the date on which
9 additional agencies are approved for par-
10 ticipation pursuant to subsection (d);

11 “(ii) an interim report, which shall be
12 submitted before the expiration of the 4-
13 year period beginning on such date of ap-
14 proval; and

15 “(iii) a final report, which shall be
16 submitted before the expiration of the 10-
17 year period beginning on the date of the
18 enactment of the Section 8 Voucher Re-
19 form Act of 2009.

20 “(5) EVALUATING ENTITY.—The Secretary may
21 contract out the responsibilities under this para-
22 graphs (1) and (2) to an independent entity that is
23 qualified to perform such responsibilities.

24 “(6) PERFORMANCE MEASURES.—The Sec-
25 retary or the evaluating entity, as applicable, shall

1 establish performance measures, which may in-
2 clude—

3 “(A) a baseline performance level against
4 which program activities may be evaluated; and

5 “(B) performance measures for each of the
6 five purposes identified in paragraphs (1)
7 through (5) of subsection (a).

8 “(g) IMPACT OF POLICY ON FAMILIES BEING AS-
9 SISTED.—

10 “(1) DISCONTINUANCE OR MODIFICATION OF
11 POLICY.—If an evaluation of an agency pursuant to
12 subsection (f)(1)(A) includes evidence that a policy
13 adopted by an agency is or has been harmful to fam-
14 ilies assisted by the agency, the Secretary may, after
15 the publication of either the initial or the interim re-
16 port pursuant to subsection (f)(4)(B), require such
17 agency to discontinue such policy or to take appro-
18 priate actions to modify such policy to ameliorate
19 such harm.

20 “(2) DETERMINATION.—The Secretary may not
21 take such action unless the Secretary has made a
22 determination that such policy is causing or has
23 caused measurable harm to families currently or pre-
24 viously assisted, based on a reduction in the overall
25 number of families receiving housing assistance, spe-

1 cific types of families losing their housing assistance,
2 a reduction in the number of affordable rental hous-
3 ing units operated by the agency, a reduction in the
4 effective targeting of housing assistance to extremely
5 low- or very low-income families, or a combination of
6 such factors.

7 “(3) ADVICE AND OPPORTUNITY TO CON-
8 TEST.—Before taking such action, the Secretary
9 shall advise the agency and give the agency a fair
10 opportunity to contest such determination or action.
11 If an agency contests such a determination or ac-
12 tion, the Secretary shall provide an opportunity for
13 interested parties to submit additional relevant evi-
14 dence.

15 “(h) RECORDKEEPING, REPORTS, AND AUDITS.—

16 “(1) RECORDKEEPING.—Each public housing
17 agency participating in the program under this sec-
18 tion shall keep such records as the Secretary may
19 prescribe as reasonably necessary to disclose the
20 amounts and the disposition of amounts under the
21 program, to ensure compliance with the require-
22 ments of this section, and to measure performance.

23 “(2) REPORTS.—In lieu of all other reporting
24 requirements, each such agency participating in the
25 program shall submit to the Secretary an annual re-

1 port in a form and at a time specified by the Sec-
2 retary. Each annual report shall include the fol-
3 lowing information:

4 “(A) A description, including an annual
5 consolidated financial report, of the sources and
6 uses of funds of the agency under the program,
7 which shall account separately for funds made
8 available under section 8 and subsections (d)
9 and (e) of section 9, and shall compare the
10 agency’s actions under the program with its an-
11 nual plan for the year.

12 “(B) An annual audit that complies with
13 the requirements of Circular A–133 of the Of-
14 fice of Management and Budget, including the
15 OMB Compliance Supplement.

16 “(C) A description of each hardship excep-
17 tion requested and granted or denied, and of
18 the use of any transition rules.

19 “(D) Documentation of public and resident
20 participation sufficient to comply with the re-
21 quirements under paragraph (7).

22 “(E) A comparison of income and the sizes
23 and types of families assisted by the agency
24 under the program compared to those assisted
25 by the agency in the base year.

1 “(F) Every two years, an evaluation of
2 rent policies, subsidy level policies, and policies
3 on program participation.

4 “(G) A description of any ongoing local
5 evaluations and the results of any local evalua-
6 tions completed during the year.

7 “(3) ACCESS TO DOCUMENTS BY SECRETARY.—
8 The Secretary shall have access for the purpose of
9 audit and examination to any books, documents, pa-
10 pers, and records that are pertinent to assistance in
11 connection with, and the requirements of, this sec-
12 tion.

13 “(4) ACCESS TO DOCUMENTS BY THE COMP-
14 TROLLER GENERAL.—The Comptroller General of
15 the United States, or any of the duly authorized rep-
16 resentatives of the Comptroller General, shall have
17 access for the purpose of audit and examination to
18 any books, documents, papers, and records that are
19 pertinent to assistance in connection with, and the
20 requirements of, this section.

21 “(5) REPORTS REGARDING EVALUATIONS.—The
22 Secretary shall require each public housing agency
23 participating in the program under this section to
24 submit to the Secretary such information as the Sec-
25 retary considers appropriate to permit the Secretary

1 to evaluate (pursuant to subsection (f)) the perform-
2 ance and success of the agency in achieving the pur-
3 poses of the demonstration.

4 “(i) ADDITIONAL PROGRAM AGENCIES.—In partici-
5 pating in the program under the terms of this subsection,
6 the public housing agencies designated for such participa-
7 tion shall be subject to the requirements of this section,
8 and the additional following requirements:

9 “(1) APPLICABILITY OF CERTAIN EXISTING
10 PROVISIONS.—Such agencies shall be subject to the
11 provisions of—

12 “(A) subsections (a) and (b) of section 3;
13 and

14 “(B) section 8(o), except for paragraph
15 (11) and except as the requirements of section
16 8(o) are modified by subsection (e)(3) of this
17 section.

18 “(2) NO TIME LIMITS.—Such agencies may not
19 impose time limits on the term of housing assistance
20 received by families under the program.

21 “(3) NO EMPLOYMENT CONDITIONS.—Such
22 agencies may not condition the receipt of housing as-
23 sistance by families under the program on the em-
24 ployment status of one or more family members.

25 “(4) ONE-FOR-ONE REPLACEMENT.—

1 “(A) CONDITIONS ON DEMOLITION.—Such
2 agencies may not demolish or dispose of any
3 dwelling unit of public housing operated or ad-
4 ministered by such agency (including any un-
5 inhabitable unit and any unit previously ap-
6 proved for demolition) except pursuant to a
7 plan for replacement of such units in accord-
8 ance with, and approved by the Secretary of
9 Housing and Urban Development pursuant to,
10 subparagraph (B).

11 “(B) PLAN REQUIREMENTS.—The Sec-
12 retary may not approve a plan that provides for
13 demolition or disposition of any dwelling unit of
14 public housing referred to in subparagraph (A)
15 unless—

16 “(i) such plan provides for outreach to
17 public housing agency residents in accord-
18 ance with paragraph (5);

19 “(ii) not later than 60 days before the
20 date of the approval of such plan, such
21 agency has convened and conducted a pub-
22 lic hearing regarding the demolition or dis-
23 position proposed in the plan;

24 “(iii) such plan provides that for each
25 such dwelling unit demolished or disposed

1 of, such public housing agency will provide
2 an additional dwelling unit through—

3 “(I) the acquisition or develop-
4 ment of additional public housing
5 dwelling units; or

6 “(II) the acquisition, develop-
7 ment, or contracting (including
8 through project-based assistance) of
9 additional dwelling units that are sub-
10 ject to requirements regarding eligi-
11 bility for initial or continued occu-
12 pancy, tenant contribution toward
13 rent, and long-term affordability re-
14 strictions which are comparable to
15 public housing units, except that no
16 household may be prevented from oc-
17 cupying a replacement dwelling unit
18 provided pursuant to clause (iii) ex-
19 cept to the extent specifically provided
20 by any other provision of Federal law
21 (including subtitle F of title V of the
22 Quality Housing and Work Responsi-
23 bility Act of 1998 (42 U.S.C. 13661
24 et seq.; relating to safety and security
25 in public and assisted housing, sub-

1 title D of title VI of the Housing and
2 Community Development Act of 1992
3 (42 U.S.C. 13611 et seq.; relating to
4 preferences for elderly and disabled
5 residents), and section 16(f) of this
6 Act (42 U.S.C. 1437n(f)); relating to
7 ineligibility of persons convicted of
8 methamphetamine offenses);

9 “(iv) such plan provides for a right,
10 and implementation of such right, to occu-
11 pancy of additional dwelling units provided
12 in accordance with clause (iii), for house-
13 holds who, as of the time that dwelling
14 units demolished or disposed of were va-
15 cated to provide for such demolition or dis-
16 position, were occupying such dwelling
17 units;

18 “(v) such plan provides that the pro-
19 posed demolition or disposition and reloca-
20 tion will be carried out in a manner that
21 affirmatively furthers fair housing, as de-
22 scribed in subsection (e) of section 808 of
23 the Civil Rights Act of 1968; and

24 “(vi) to the extent that such plan pro-
25 vides for the provision of replacement or

1 additional dwelling units, or redevelop-
2 ment, in phases over time, such plan pro-
3 vides that the ratio of dwelling units de-
4 scribed in subclauses (I) and (II) of clause
5 (iii) that are provided in any such single
6 phase to the total number of dwelling units
7 provided in such phase is not less than the
8 ratio of the aggregate number of such
9 dwelling units provided under the plan to
10 the total number of dwelling units provided
11 under the plan.

12 “(C) MONITORING.—The Secretary shall
13 provide for the appropriate field offices of the
14 Department to monitor and supervise the en-
15 forcement of this paragraph and plans approved
16 under this paragraph and to consult, regarding
17 such monitoring and enforcement, with resident
18 councils of, and resident of public housing oper-
19 ated or administered by, the agency.

20 “(5) COMPREHENSIVE OUTREACH PLAN.—No
21 program funds of such agencies may be use to de-
22 molish or dispose of any public housing dwelling
23 units except in accordance with a comprehensive
24 outreach plan for such activities, developed by the

1 agency in conjunction with the residents of the pub-
2 lic housing agency, as follows:

3 “(A) The plan shall be developed by the
4 agency and a resident task force, which may in-
5 clude members of the Resident Council, but
6 may not be limited to such members, and which
7 shall represent all segments of the population of
8 residents of the agency, including single parent-
9 headed households, the elderly, young employed
10 and unemployed adults, teenage youth, and dis-
11 abled persons.

12 “(B) The votes and agreements regarding
13 the plan shall involve—

14 “(i) in the case of any public housing
15 agency that administers 250 or fewer pub-
16 lic housing dwelling units, not less than 10
17 percent of affected residents; and

18 “(ii) in the case of any public housing
19 agency that administers more than 250
20 public housing dwelling units, not less than
21 25 affected residents.

22 “(C) The plan shall provide for and de-
23 scribe outreach efforts to inform residents of
24 the program under this subsection, including a
25 door-to-door information program, monthly

1 newsletters to each resident household, monthly
2 meetings dedicated solely to every aspect of the
3 proposed development, including redevelopment
4 factors, which shall include the one-for-one re-
5 placement requirement under paragraph (4),
6 resident rights to return, the requirements of
7 the program under this subsection, new resident
8 support and community services to be provided,
9 opportunities for participation in architectural
10 design, and employment opportunities for resi-
11 dents, which shall make available at least 30
12 percent of the total hours worked at all such
13 employment, and shall also make available at
14 least 25 percent of unskilled jobs in demolition
15 activities and 25 percent of unskilled jobs in
16 construction activities related to the redevelop-
17 ment project, including job training, apprentice-
18 ships, union membership assistance.

19 “(D) The plan shall provide for regularly
20 scheduled monthly meeting updates and a sys-
21 tem for filing complaints about any aspect of
22 the redevelopment process.

23 “(j) DEFINITIONS.—For purposes of this section, the
24 following definitions shall apply:

1 “(1) EXISTING MTW AGENCY.—The term ‘exist-
2 ing MTW agency’ means a public housing agency
3 that as of the date of the enactment of the Section
4 8 Voucher Reform Act of 2009 has an existing
5 agreement with the Secretary pursuant to the mov-
6 ing to work demonstration, or is authorized to enter
7 into such an agreement under section 230 of the
8 Transportation, Housing and Urban Development,
9 and Related Agencies Appropriations Act, 2008
10 (Public Law 110–161; 121 Stat. 2438) or section
11 236 of the Transportation, Housing and Urban De-
12 velopment, and Related Agencies Appropriations
13 Act, 2009 (Division I of Public Law 111–8).

14 “(2) BASE YEAR.—The term ‘base year’ means,
15 with respect to a participating agency, the agency
16 fiscal year or calendar year, as appropriate, most re-
17 cently completed prior to selection and approval for
18 participation in the housing innovation program
19 under this section.

20 “(3) MOVING TO WORK DEMONSTRATION.—The
21 term ‘moving to work demonstration’ means the
22 moving to work demonstration program under sec-
23 tion 204 of the Departments of Veterans Affairs and
24 Housing and Urban Development, and Independent

1 Agencies Appropriations Act, 1996 (42 U.S.C. 1437f
2 note).

3 “(4) PARTICIPATING AGENCIES.—The term
4 ‘participating agencies’ means public housing agen-
5 cies designated and approved for participation, and
6 participating, in the housing innovation program
7 under this section.

8 “(5) PROGRAM FUNDS.—The term ‘program
9 funds’ means, with respect to a participating agency,
10 any amounts that the agency is authorized, pursuant
11 to subsection (e)(1), to use to carry out the housing
12 innovation program under this section of the agency.

13 “(6) RESIDENTS.—The term ‘residents’ means,
14 with respect to a public housing agency, tenants of
15 public housing of the agency and participants in the
16 voucher or other housing assistance programs of the
17 agency funded under section 8(o), or tenants of
18 other units owned by the agency and assisted under
19 this section.

20 “(k) RESIDENT TECHNICAL ASSISTANCE.—

21 “(1) AUTHORIZATION OF APPROPRIATIONS.—
22 There is authorized to be appropriated for each of
23 fiscal years 2010 through 2014 \$10,000,000, for
24 providing capacity building and technical assistance
25 to enhance the capabilities of low-income families as-

1 sisted or eligible for assistance under the program
2 under this section to participate in the process for
3 establishment and revision of annual plans under
4 this section for participating agencies, including re-
5 view and comment on impact analyses and demoli-
6 tion or disposition proposals.

7 “(2) CRITERIA FOR AWARD OF FUNDS.—The
8 Secretary shall publish the criteria to be used to
9 award funds on a competitive basis, in an amount
10 appropriate to the number of households affected by
11 the program of the participating agency or agencies
12 that such participating agency assists, to local, re-
13 gional, State, or national organizations that—

14 “(A)(i) have members who are predomi-
15 nantly low-income;

16 “(ii) have low-income individuals on their
17 boards of directors; or

18 “(iii) directly work with or represent low-
19 income individuals;

20 “(B) have the legal, policy, and develop-
21 ment expertise to provide such assistance or will
22 subcontract for such services; and

23 “(C) have a demonstrated capacity to man-
24 age similar grants.

25 “(3) PUBLIC HOUSING AGENCIES.—

1 “(A) INELIGIBILITY; NONLIABILITY.—Pub-
2 lic housing agencies shall not be eligible to re-
3 ceive funds under this subsection, and shall not
4 be liable for the action of any grantee.

5 “(B) COOPERATION WITH GRANTEES.—
6 Public housing agencies participating in the
7 program under this section shall cooperate with
8 grantees receiving technical assistance funds
9 under this subsection, to assist such grantees to
10 reach families assisted under the program.

11 “(1) AUTHORIZATION OF APPROPRIATIONS FOR
12 EVALUATIONS.—There is authorized to be appropriated
13 \$15,000,000 to the Department of Housing and Urban
14 Development for the purpose of conducting the evaluations
15 required under subsection (f)(1).”.

16 (b) GAO REPORT.—Not later than 48 months after
17 the date of the enactment of this Act, the Comptroller
18 General of the United States shall submit a report to the
19 Congress on the extent to which the public housing agen-
20 cies participating in the housing innovation program
21 under section 37 of the United States Housing Act of
22 1937 are meeting the goals and purposes of such program,
23 as identified in subsection (a) of such section 37.

1 **SEC. 24. EFFECTIVE DATE.**

2 Except as otherwise specifically provided in this
3 Act—

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

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

○