

[Discussion Draft]

**SECTION 8 VOUCHER REFORM PROVISIONS
PREPARED FOR THE COMMITTEE ON FINANCIAL
SERVICES**

1 **TITLE _____—SECTION 8 VOUCHER**
2 **REFORM**

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

4 (a) **SHORT TITLE.**—This title may be cited as the
5 “Section 8 Voucher Reform Act of 2010”.

6 (b) **TABLE OF CONTENTS.**—The table of contents for
7 this title 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. Family self-sufficiency.
- Sec. ____ 8. Homeownership.
- Sec. ____ 9. Enhanced vouchers.
- Sec. ____ 10. PHA project-based assistance.
- Sec. ____ 11. Rent burdens.
- Sec. ____ 12. Establishment of fair market rent.
- Sec. ____ 13. Screening of applicants.
- Sec. ____ 14. Demonstration program waiver authority.
- Sec. ____ 15. Utility data.
- Sec. ____ 16. Access to HUD programs for persons with limited English proficiency.
- Sec. ____ 17. Allowable transfers.
- Sec. ____ 18. Veterans Affairs supportive housing program.
- Sec. ____ 19. Provision of information by State agencies.

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

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

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

7 “(A) INITIAL INSPECTION.—

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

19 “(ii) CORRECTION OF NON-LIFE
20 THREATENING CONDITIONS.—In the case
21 of any dwelling unit that is determined,
22 pursuant to an inspection under clause (i),
23 not to meet the housing quality standards
24 under subparagraph (B), assistance pay-
25 ments may be made for the unit notwith-
26 standing subparagraph (C) if failure to

1 meet such standards is a result only of
2 non-life threatening conditions, as such
3 conditions are established by the Secretary.
4 A public housing agency making assistance
5 payments pursuant to this clause for a
6 dwelling unit shall, 30 days after the be-
7 ginning of the period for which such pay-
8 ments are made, withhold any assistance
9 payments for the unit if any deficiency re-
10 sulting in noncompliance with the housing
11 quality standards has not been corrected
12 by such time. The public housing agency
13 shall recommence assistance payments
14 when such deficiency has been corrected,
15 and may use any payments withheld to
16 make assistance payments relating to the
17 period during which payments were with-
18 held.

19 “(iii) USE OF ALTERNATIVE INSPEC-
20 TION METHOD FOR INTERIM PERIOD.—In
21 the case of any property that within the
22 previous 12 months has met the require-
23 ments of an inspection that qualifies as an
24 alternative inspection method pursuant to
25 subparagraph (E), a public housing agency

1 may authorize occupancy before the inspec-
2 tion under clause (i) has been completed,
3 and may make assistance payments retro-
4 active to the beginning of the lease term
5 after the unit has been determined pursu-
6 ant to an inspection under clause (i) to
7 meet the housing quality standards under
8 subparagraph (B).”;

9 (2) by redesignating subparagraph (E) as sub-
10 paragraph (H); and

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

13 “(D) BIENNIAL INSPECTIONS.—

14 “(i) REQUIREMENT.—Each public
15 housing agency providing assistance under
16 this subsection (or other entity, as pro-
17 vided in paragraph (11)) shall, for each as-
18 sisted dwelling unit, make inspections not
19 less often than biennially during the term
20 of the housing assistance payments con-
21 tract for the unit to determine whether the
22 unit is maintained in accordance with the
23 requirements under subparagraph (A).

24 “(ii) USE OF ALTERNATIVE INSPEC-
25 TION METHOD.—The requirement under

1 clause (i) may be complied with by use of
2 inspections that qualify as an alternative
3 inspection method pursuant to subpara-
4 graph (E).

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

13 “(E) ALTERNATIVE INSPECTION METH-
14 OD.—An inspection of a property shall qualify
15 as an alternative inspection method for pur-
16 poses of this subparagraph if—

17 “(i) the inspection was conducted pur-
18 suant to requirements under a Federal,
19 State, or local housing assistance program
20 (including the HOME investment partner-
21 ships program under title II of the Cran-
22 ston-Gonzalez National Affordable Housing
23 Act (42 U.S.C. 12721 et seq.) and the low-
24 income housing tax credit program under

1 section 42 of the Internal Revenue Code of
2 1986); and

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

16 “(F) INTERIM INSPECTIONS.—Upon notifi-
17 cation to the public housing agency, by a family
18 on whose behalf tenant-based rental assistance
19 is provided under this subsection or by a gov-
20 ernment official, that the dwelling unit for
21 which such assistance is provided does not com-
22 ply with the housing quality standards under
23 subparagraph (B), the agency shall inspect the
24 dwelling unit—

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

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

7 “(G) ENFORCEMENT OF HOUSING QUALITY
8 STANDARDS.—

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

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

23 “(II) the agency or inspector no-
24 tifies the owner of the unit in writing
25 of such failure to comply; and

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

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

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

16 “(ii) WITHHOLDING OF ASSISTANCE
17 AMOUNTS DURING CORRECTION.—The
18 public housing agency may withhold assist-
19 ance amounts under this subsection with
20 respect to a dwelling unit for which a no-
21 tice pursuant to clause (i)(II), of failure to
22 comply with housing quality standards
23 under subparagraph (B) as determined
24 pursuant to an inspection conducted under
25 subparagraph (D) or (F), has been pro-

1 vided. If the unit is brought into compli-
2 ance with such housing quality standards
3 during the periods referred to in clause
4 (i)(III), the public housing agency shall re-
5 commence assistance payments and may
6 use any amounts withheld during the cor-
7 rection period to make assistance payments
8 relating to the period during which pay-
9 ments were withheld.

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

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

3 “(I) AUTHORITY.—The public
4 housing agency may, in its sole discre-
5 tion, use such amounts abated to
6 make repairs to the dwelling unit or
7 to contract to have repairs made, ex-
8 cept that a contract to make repairs
9 may not be entered into with the in-
10 spector for the dwelling unit referred
11 to in clause (i)(I).

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

21 “(III) CONSISTENCY WITH STATE
22 OR LOCAL LAW.—Authority to use
23 abated assistance to pay for repairs
24 under this clause shall be limited to
25 States or localities in which tenants

1 are permitted to withhold rent pay-
2 ments for the purpose of making re-
3 pairs, consistent with the authority
4 under this clause.

5 “(IV) LIMITATION OF LIABILITY
6 OF PUBLIC HOUSING AGENCIES.—A
7 public housing agency that uses its
8 authority under this clause shall not,
9 if the agency accomplishes the work
10 through a contractor that is licensed,
11 bonded, and insured in amounts and
12 with coverage as required by the Sec-
13 retary, be liable for any injury or
14 damages that may result to persons or
15 to any property owned by the tenant
16 or owner.

17 “(V) TREATMENT OF CERTAIN
18 ABATEMENT ASSISTANCE.—Assistance
19 amounts abated and used to make re-
20 pairs or to contract for such repairs
21 pursuant to this clause or used for re-
22 location assistance pursuant to clause
23 (viii)(III) shall be treated as costs
24 which shall be considered in deter-

1 mining the allocation of renewal fund-
2 ing under subsection (dd)(2).

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

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

11 “(aa) such abatement has
12 commenced; and

13 “(bb) if the dwelling unit is
14 not brought into compliance with
15 housing quality standards within
16 60 days after the effective date of
17 the determination of noncompli-
18 ance under clause (i) or such rea-
19 sonable longer period as the
20 agency may establish, the tenant
21 will have to move; and

22 “(II) issue the tenant the nec-
23 essary forms to allow the tenant to
24 move to another dwelling unit and

1 transfer the rental assistance to that
2 unit.

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

11 “(vii) TERMINATION OF LEASE OR AS-
12SISTANCE PAYMENTS CONTRACT.—If as-
13sistance amounts under this section for a
14dwelling unit are abated pursuant to clause
15(iii) and the owner does not correct the
16noncompliance within 60 days after the ef-
17fective date of the determination of non-
18compliance under clause (i), or such other
19reasonable longer period as the public
20housing agency may establish, and the
21agency does not use its authority under
22clause (iv), the agency shall terminate the
23housing assistance payments contract for
24the dwelling unit.

25 “(viii) RELOCATION.—

1 “(I) LEASE OF NEW UNIT.—The
2 agency shall provide the family resid-
3 ing in such a dwelling unit a period of
4 90 days or such longer period as the
5 public housing agency determines is
6 reasonably necessary to lease a new
7 unit, beginning upon termination of
8 the contract, to lease a new residence
9 with tenant-based rental assistance
10 under this section.

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

22 “(III) ASSISTANCE IN FINDING
23 UNIT.—The public housing agency
24 shall provide assistance to the family
25 in finding a new residence, including

1 use of up to two months of any assist-
2 ance amounts abated pursuant to
3 clause (iii) for costs directly associ-
4 ated with relocation of the family to a
5 new residence, which shall include se-
6 curity deposits as necessary and may
7 include reimbursements for reasonable
8 moving expenses incurred by the
9 household, as established by the Sec-
10 retary. The agency may require that a
11 family receiving assistance for a secu-
12 rity deposit shall remit, to the extent
13 of such assistance, the amount of any
14 security deposit refunds made by the
15 owner of the dwelling unit for which
16 the lease was terminated.

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

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

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

14 (b) EFFECTIVE DATE.—The Secretary of Housing
15 and Urban Development shall issue notice or regulations
16 to implement the amendments made by subsection (a) of
17 this section and such amendments shall take effect after
18 such issuance.

19 **SEC. ___ 3. RENT REFORM AND INCOME REVIEWS.**

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

23 (1) in subsection (a)—

24 (A) in paragraph (3)(A)(ii), by inserting
25 before the period at the end the following: “or

1 by the owner of the property receiving rental
2 assistance, as the Secretary may allow”; and

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

5 “(6) REVIEWS OF FAMILY INCOME.—

6 “(A) FREQUENCY.—Reviews of family in-
7 come for purposes of this section shall be
8 made—

9 “(i) in the case of all families, upon
10 the initial provision of housing assistance
11 for the family;

12 “(ii) annually thereafter, except as
13 provided in subparagraph (B)(i);

14 “(iii) upon the request of the family,
15 at any time the income or deductions
16 (under subsection (b)(5)) of the family
17 change by an amount that is estimated to
18 result in a decrease of 10 percent (or such
19 lower amount as the Secretary may, by no-
20 tice, establish, or permit the public housing
21 agency or owner to establish) or more in
22 annual adjusted income; and

23 “(iv) at any time the income or deduc-
24 tions (under subsection (b)(5)) of the fam-
25 ily change by an amount that is estimated

1 to result in an increase of 10 percent or
2 more in annual adjusted income, or such
3 other amount as the Secretary may by no-
4 tice establish, except that any increase in
5 the earned income of a family shall not be
6 considered for purposes of this clause (ex-
7 cept that earned income may be considered
8 if the increase corresponds to previous de-
9 creases under clause (iii)), except that a
10 public housing agency or owner may elect
11 not to conduct such review in the last three
12 months of a certification period.

13 “(B) FIXED-INCOME FAMILIES.—

14 “(i) SELF CERTIFICATION AND 3-YEAR
15 REVIEW.—In the case of any family de-
16 scribed in clause (ii), after the initial re-
17 view of the family’s income pursuant to
18 subparagraph (A)(i), the public housing
19 agency or owner shall not be required to
20 conduct a review of the family’s income
21 pursuant to subparagraph (A)(ii) for any
22 year for which such family certifies, in ac-
23 cordance with such requirements as the
24 Secretary shall establish, that the income
25 of the family meets the requirements of

1 clause (ii) of this subparagraph and that
2 the sources of such income have not
3 changed since the previous year, except
4 that the public housing agency or owner
5 shall conduct a review of each such fam-
6 ily's income not less than once every 3
7 years.

8 “(ii) ELIGIBLE FAMILIES.—A family
9 described in this clause is a family who has
10 an income, as of the most recent review
11 pursuant to subparagraph (A) or clause (i)
12 of this subparagraph, of which 90 percent
13 or more consists of fixed income, as such
14 term is defined in clause (iii).

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

18 “(I) the supplemental security in-
19 come program under title XVI of the
20 Social Security Act, including supple-
21 mentary payments pursuant to an
22 agreement for Federal administration
23 under section 1616(a) of the Social
24 Security Act and payments pursuant

1 to an agreement entered into under
2 section 212(b) of Public Law 93–66;
3 “(II) Social Security payments;
4 “(III) Federal, State, local and
5 private pension plans; and
6 “(IV) other periodic payments re-
7 ceived from annuities, insurance poli-
8 cies, retirement funds, disability or
9 death benefits, and other similar types
10 of periodic receipts that are of sub-
11 stantially the same amounts from year
12 to year.

13 “(C) IN GENERAL.—Reviews of family in-
14 come for purposes of this section shall be sub-
15 ject to the provisions of section 904 of the
16 Stewart B. McKinney Homeless Assistance
17 Amendments Act of 1988.

18 “(7) CALCULATION OF INCOME.—

19 “(A) USE OF CURRENT YEAR INCOME.—In
20 determining family income for initial occupancy
21 or provision of housing assistance pursuant to
22 clause (i) of paragraph (6)(A) or pursuant to
23 reviews pursuant to clause (iii) or (iv) of such
24 paragraph, a public housing agency or owner

1 shall use the income of the family as estimated
2 by the agency or owner for the upcoming year.

3 “(B) USE OF PRIOR YEAR INCOME.—In
4 determining family income for annual reviews
5 pursuant to paragraph (6)(A)(ii), a public hous-
6 ing agency or owner shall, except as otherwise
7 provided in this paragraph, use the income of
8 the family as determined by the agency or
9 owner for the preceding year, taking into con-
10 sideration any redetermination of income during
11 such prior year pursuant to clause (iii) or (iv)
12 of paragraph (6)(A).

13 “(C) INFLATIONARY ADJUSTMENT FOR
14 FIXED INCOME FAMILIES.—

15 “(i) IN GENERAL.—In any year in
16 which a public housing agency or owner
17 does not conduct a review of income for
18 any family described in clause (ii) of para-
19 graph (6)(B) pursuant to the authority
20 under clause (i) of such paragraph to
21 waive such a review, such family’s prior
22 year’s income determination shall, subject
23 to clauses (ii) and (iii), be adjusted by ap-
24 plying an inflationary factor as the Sec-

1 retary shall, by regulation or notice, estab-
2 lish.

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

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

16 “(D) OTHER INCOME.—In determining the
17 income for any family based on the prior year’s
18 income, with respect to prior year calculations
19 of income not subject to subparagraph (B), a
20 public housing agency or owner may make other
21 adjustments as it considers appropriate to re-
22 flect current income.

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

1 or owner, determine the family's income prior
2 to the application of any deductions based on
3 timely income determinations made for pur-
4 poses of other means-tested Federal public as-
5 sistance programs (including the program for
6 block grants to States for temporary assistance
7 for needy families under part A of title IV of
8 the Social Security Act, a program for Medicaid
9 assistance under a State plan approved under
10 title XIX of the Social Security Act, and the
11 supplemental nutrition assistance program (as
12 such term is defined in section 3 of the Food
13 and Nutrition Act of 2008 (7 U.S.C. 2012)).
14 The Secretary shall, in consultation with other
15 appropriate Federal agencies, develop proce-
16 dures to enable public housing agencies and
17 owners to have access to such income deter-
18 minations made by other means-tested Federal
19 programs that the Secretary determines to have
20 comparable reliability. Exchanges of such infor-
21 mation shall be subject to the same limitations
22 and tenant protections provided under section
23 904 of the Stewart B. McKinney Homeless As-
24 sistance Act Amendments of 1988 (42 U.S.C.
25 3544) with respect to information obtained

1 under the requirements of section 303(i) of the
2 Social Security Act (42 U.S.C. 503(i)).

3 “(F) PHA AND OWNER COMPLIANCE.—A
4 public housing agency or owner may not be con-
5 sidered to fail to comply with this paragraph or
6 paragraph (6) due solely to any de minimis er-
7 rors made by the agency or owner in calculating
8 family incomes.”;

9 (2) by striking subsections (d) and (e); and
10 (3) by redesignating subsection (f) as sub-
11 section (d).

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

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

16 “(4) INCOME.—The term ‘income’ means, with
17 respect to a family, income received from all sources
18 by each member of the household who is 18 years
19 of age or older or is the head of household or spouse
20 of the head of the household, plus unearned income
21 by or on behalf of each dependent who is less than
22 18 years of age, as determined in accordance with
23 criteria prescribed by the Secretary, in consultation
24 with the Secretary of Agriculture, subject to the fol-
25 lowing requirements:

1 “(A) INCLUDED AMOUNTS.—Such term in-
2 cludes recurring gifts and receipts, actual in-
3 come from assets, and profit or loss from a
4 business.

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

7 “(i) any imputed return on assets, ex-
8 cept to the extent that net family assets
9 exceed \$50,000;

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

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

18 “(iv) exclusions from income as estab-
19 lished by the Secretary by regulation or
20 notice, or any amount required by Federal
21 law to be excluded from consideration as
22 income.

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

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

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

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

11 “(II) in such amounts as the Sec-
12 retary may allow, for the cost of room
13 and board.

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

21 “(E) RECORDKEEPING.—The Secretary
22 may not require a public housing agency or
23 owner to maintain records of any amounts ex-
24 cluded from income pursuant to this subpara-
25 graph.”; and

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

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

9 “(A) ELDERLY AND DISABLED FAMI-
10 LIES.—\$675 in the case of any family that is
11 an elderly family or a disabled family.

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

14 “(i) is less than 18 years of age or at-
15 tending school or vocational training on a
16 full-time basis; or

17 “(ii) is a person with disabilities who
18 is 18 years of age or older and resides in
19 the household.

20 “(C) CHILD CARE.—The amount, if any,
21 that exceeds 5 percent of annual family income
22 that is used to pay for unreimbursed child care
23 expenses, which shall include child care for pre-
24 school-age children, for before- and after-care
25 for children in school, and for other child care

1 necessary to enable a member of the family to
2 be employed or further his or her education.

3 “(D) HEALTH AND MEDICAL EXPENSES.—

4 The amount, if any, by which 10 percent of an-
5 nual family income is exceeded by the sum of—

6 “(i) in the case of any elderly or dis-
7 abled family, any unreimbursed health and
8 medical care expenses; and

9 “(ii) any unreimbursed reasonable at-
10 tendant care and auxiliary apparatus ex-
11 penses for each handicapped member of
12 the family, to the extent necessary to en-
13 able any member of such family to be em-
14 ployed.

15 “(E) PERMISSIVE DEDUCTIONS.—Such ad-
16 ditional deductions as a public housing agency
17 may, at its discretion, establish, except that the
18 Secretary shall establish procedures to ensure
19 that such deductions do not materially increase
20 Federal expenditures.

21 The Secretary shall annually calculate the amounts
22 of the deductions under subparagraphs (A) and (B),
23 as such amounts may have been previously cal-
24 culated, by applying an inflationary factor as the
25 Secretary shall, by regulation, establish, except that

1 the actual deduction determined for each year shall
2 be established by rounding such amount to the next
3 lowest multiple of \$25.”.

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

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

9 (2) in subparagraph (A)—

10 (A) by striking “the provisions of” and in-
11 serting “paragraphs (6) and (7) of section 3(a)
12 and to”; and

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

17 (3) in subparagraph (B), by striking the second
18 sentence.

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

24 (e) PROJECT-BASED HOUSING.—Paragraph (3) of
25 section 8(c) of the United States Housing Act of 1937

1 (42 U.S.C. 1437f(c)(3)) is amended by striking the last
2 sentence.

3 (f) IMPACT ON PUBLIC HOUSING REVENUES.—

4 (1) ADJUSTMENTS TO OPERATING FORMULA.—

5 If the Secretary of Housing and Urban Development
6 determines that the application of the amendments
7 made by this section results in a material and dis-
8 proportionate reduction in the rental income of cer-
9 tain public housing agencies during the first year in
10 which the amendments made by this section are im-
11 plemented, the Secretary may make appropriate ad-
12 justments in the formula income for such year of
13 those agencies experiencing such a reduction.

14 (2) HUD REPORTS ON REVENUE AND COST IM-
15 PACT.—In each of the first two years after the first
16 year in which the amendments made by this section
17 are implemented, the Secretary of Housing and
18 Urban Development shall submit a report to Con-
19 gress identifying and calculating the impact of
20 changes made by the amendments made by this sec-
21 tion and section ____ 4 of this title on the revenues
22 and costs of operating public housing units, the
23 voucher program for rental assistance under section
24 8 of the United States Housing Act of 1937, and
25 the program under such section 8 for project-based

1 rental assistance. If such report identifies a material
2 reduction in the net income of public housing agen-
3 cies nationwide or a material increase in the costs of
4 funding the voucher program or the project-based
5 assistance program, the Secretary shall include in
6 such report recommendations for legislative changes
7 to reduce or eliminate such a reduction.

8 (g) RENT POLICY DEMONSTRATION.—

9 (1) IN GENERAL.—The Secretary of Housing
10 and Urban Development may carry out a demonstra-
11 tion program, which may be initiated not later than
12 January 1, 2012, for a limited number of families
13 assisted under the United States Housing Act of
14 1937 to determine the effectiveness of different rent
15 policies, which may include providing income dis-
16 regards, family self-sufficiency accounts, and policies
17 under which families pay amounts different from 30
18 percent of their adjusted income for rent, to encour-
19 age families to obtain employment, increase their in-
20 comes, and achieve economic self-sufficiency.

21 (2) RENT STRUCTURES.—Such demonstration
22 shall include activities sufficient to test the effective-
23 ness of the following rent structures:

24 (A) CEILING RENTS.—Ceiling rents that
25 are based on the rental value of the unit.

1 (B) INCOME-TIERED RENTS.—Income-
2 tiered tenant rents under which the amount a
3 family pays for rent is set and established on
4 the basis of broad tiers of income, with annual
5 cost adjustments.

6 (C) EARNED INCOME DISREGARD.—A ten-
7 ant rent structure under which the amount of
8 rent a family pays is reduced through a dis-
9 regard of a portion of the percentage or of the
10 dollar amount of the family's earned income.

11 (3) PUBLIC HOUSING AGENCIES.—Such dem-
12 onstration shall include public housing agencies of
13 various sizes, including small public housing agen-
14 cies.

15 (h) EFFECTIVE DATE.—The Secretary of Housing
16 and Urban Development shall issue notice or regulations
17 to implement the amendments made by this section and
18 such amendments shall take effect after such issuance, ex-
19 cept that such amendments may only take effect upon the
20 commencement of a calendar year.

21 **SEC. ___ 4. ELIGIBILITY FOR ASSISTANCE BASED ON AS-**
22 **SETS AND INCOME.**

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

1 “(e) ELIGIBILITY FOR ASSISTANCE BASED ON AS-
2 SETS.—

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

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

13 “(B) who has a present ownership interest
14 in, a legal right to reside in, and the effective
15 legal authority to sell, real property that is suit-
16 able for occupancy by the family as a residence,
17 except that the prohibition under this subpara-
18 graph shall not apply to—

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

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

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

1 “(2) NET FAMILY ASSETS.—

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

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

17 “(i) the value of personal property, ex-
18 cept for items of personal property of sig-
19 nificant value, as the Secretary may estab-
20 lish or the public housing agency may de-
21 termine;

22 “(ii) the value of any retirement ac-
23 count;

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

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

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

15 “(vi) such other exclusions as the Sec-
16 retary may establish.

17 “(C) TRUST FUNDS.—In cases in which a
18 trust fund has been established and the trust is
19 not revocable by, or under the control of, any
20 member of the family or household, the value of
21 the trust fund shall not be considered an asset
22 of a family if the fund continues to be held in
23 trust. Any income distributed from the trust
24 fund shall be considered income for purposes of
25 section 3(b) and any calculations of annual

1 family income, except in the case of medical ex-
2 penses for a minor.

3 “(3) SELF-CERTIFICATION.—

4 “(A) NET FAMILY ASSETS.—A public
5 housing agency or owner may determine the net
6 assets of a family, for purposes of this section,
7 based on a certification by the family that the
8 net assets of such family do not exceed
9 \$50,000.

10 “(B) NO CURRENT REAL PROPERTY OWN-
11 ERSHIP.—A public housing agency or owner
12 may determine compliance with paragraph
13 (1)(B) based on a certification by the family
14 that such family does not have any current
15 ownership interest in any real property at the
16 time the agency or owner reviews the family’s
17 income.

18 “(C) STANDARDIZED FORMS.—The Sec-
19 retary may develop standardized forms for the
20 certifications referred to in subparagraphs (A)
21 and (B).

22 “(4) COMPLIANCE FOR PUBLIC HOUSING
23 DWELLING UNITS.—When recertifying family income
24 with respect to families residing in public housing
25 dwelling units, a public housing agency may, in the

1 discretion of the agency and only pursuant to a pol-
2 icy that is set forth in the public housing agency
3 plan under section 5A for the agency, choose not to
4 enforce the limitation under paragraph (1).

5 “(5) ENFORCEMENT.—When recertifying the
6 income of a family residing in a dwelling unit as-
7 sisted under this Act, a public housing agency or
8 owner may choose not to enforce the limitation
9 under paragraph (1) or may establish exceptions to
10 such limitation based on eligibility criteria, but only
11 pursuant to a policy that is set forth in the public
12 housing agency plan under section 5A for the agency
13 or under a policy adopted by the owner. Eligibility
14 criteria for establishing exceptions may provide for
15 separate treatment based on family type and may be
16 based on different factors, such as age, disability, in-
17 come, the ability of the family to find suitable alter-
18 native housing, and whether supportive services are
19 being provided.

20 “(6) AUTHORITY TO DELAY EVICTIONS.—In the
21 case of a family residing in a dwelling unit assisted
22 under this Act who does not comply with the limita-
23 tion under paragraph (1), the public housing agency
24 or project owner may delay eviction or termination

1 of the family based on such noncompliance for a pe-
2 riod of not more than 6 months.”.

3 (b) INCOME.—The United States Housing Act of
4 1937 is amended—

5 (1) in section 3(a)(1) (42 U.S.C. 1437a(a)(1)),
6 by striking the first sentence and inserting the fol-
7 lowing: “Dwelling units assisted under this Act may
8 be rented, and assistance under this Act may be pro-
9 vided, whether initially or at time of recertification,
10 only to families who are low-income families at the
11 time such initial or continued assistance, respec-
12 tively, is provided, except that families residing in
13 dwelling units as of the date of the enactment of the
14 Section 8 Voucher Reform Act of 2010 that, under
15 agreements in effect on such date of enactment, may
16 have incomes up to 95 percent of local area median
17 income shall continue to be eligible for assistance at
18 recertification as long as they continue to comply
19 with such income restrictions. When recertifying
20 family income with respect to families residing in
21 public housing dwelling units, a public housing agen-
22 cy may, in the discretion of the agency and only pur-
23 suant to a policy that is set forth in the public hous-
24 ing agency plan under section 5A for the agency,
25 choose not to enforce the prohibition under the pre-

1 ceding sentence. When recertifying family income
2 with respect to families residing in dwelling units for
3 which project-based assistance is provided, a project
4 owner may, in the owner’s discretion and only pur-
5 suant to a policy adopted by such owner, choose not
6 to enforce such prohibition. In the case of a family
7 residing in a dwelling unit assisted under this Act
8 who does not meet the requirements under the first
9 sentence of this paragraph or the requirements
10 under section 8(o)(4), the public housing agency or
11 project owner may delay eviction or termination of
12 the family based on such noncompliance for a period
13 of not more than 6 months.”;

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

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

24 (3) in section 8(c)(4) (42 U.S.C. 1437f(c)(4)),
25 by striking “at the time it initially occupied such

1 dwelling unit” and inserting “according to the re-
2 strictions under section 3(a)(1)”.

3 **SEC. ___ 5. TARGETING ASSISTANCE TO LOW-INCOME**
4 **WORKING FAMILIES.**

5 (a) **VOUCHERS.**—Section 16(b)(1) of the United
6 States Housing Act of 1937 (42 U.S.C. 1437n(b)(1)) is
7 amended by striking “families whose incomes” and all that
8 follows through “low family incomes” and inserting “ex-
9 tremely low-income families”.

10 (b) **PUBLIC HOUSING.**—Section 16(a)(2)(A) of the
11 United States Housing Act of 1937 (42 U.S.C.
12 1437n(a)(2)(A)) is amended by striking “families whose
13 incomes” and all that follows through “low family in-
14 comes” and inserting “extremely low-income families”.

15 (c) **PROJECT-BASED SECTION 8 ASSISTANCE.**—Sec-
16 tion 16(c)(3) of the United States Housing Act of 1937
17 (42 U.S.C. 1437n(c)(3)) is amended by striking “families
18 whose incomes” and all that follows through “low family
19 incomes” and inserting: “extremely low-income families”.

20 (d) **DEFINITION.**—Section 3(b)(2) of the United
21 States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)) is
22 amended by inserting after the period at the end of the
23 second sentence the following new sentence: “The term
24 ‘extremely low-income families’ means very low-income
25 families whose incomes do not exceed the higher of (A)

1 the poverty guidelines updated periodically by the Depart-
2 ment of Health and Human Services under the authority
3 of section 673(2) of the Omnibus Budget Reconciliation
4 Act of 1981 (42 U.S.C. 9902(2)) applicable to a family
5 of the size involved, or (B) 30 percent of the median fam-
6 ily income for the area, as determined by the Secretary
7 with adjustments for smaller and larger families, except
8 that the Secretary may establish income ceilings higher
9 or lower than 30 percent of the median for the area on
10 the basis of the Secretary’s findings that such variations
11 are necessary because of unusually high or low family in-
12 comes, and except that clause (A) of this sentence shall
13 not apply in the case of public housing agencies located
14 in Puerto Rico or any other territory or possession of the
15 United States.”.

16 (e) EFFECTIVE DATE.—The Secretary of Housing
17 and Urban Development shall issue a notice to implement
18 the amendments made by this section and such amend-
19 ments shall take effect upon such issuance.

20 **SEC. ___ 6. VOUCHER RENEWAL FUNDING.**

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

25 “(dd) TENANT-BASED VOUCHERS.—

1 “(1) AUTHORIZATION OF APPROPRIATIONS.—

2 There are authorized to be appropriated, for fiscal
3 year 2011 and each fiscal year thereafter, such sums
4 as may be necessary for tenant-based assistance
5 under subsection (o) for the following purposes:

6 “(A) To renew all expiring annual con-
7 tributions contracts for tenant-based rental as-
8 sistance.

9 “(B) To provide tenant-based rental assist-
10 ance for—

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

13 “(ii) the family unification program
14 under subsection (x) of this section;

15 “(iii) relocation of witnesses in con-
16 nection with efforts to combat crime in
17 public and assisted housing pursuant to a
18 request from a law enforcement or pros-
19 ecution agency;

20 “(iv) enhanced vouchers authorized
21 under subsection (t) of this section;

22 “(v) relocation or replacement in con-
23 nection with the HOPE VI program under
24 section 24 (42 U.S.C. 1437v);

1 “(vi) demolition or disposition of pub-
2 lie housing units pursuant to section 18
3 (42 U.S.C. 1437p);

4 “(vii) mandatory conversions of public
5 housing to vouchers, pursuant to section
6 33 (42 U.S.C. 1437z-5);

7 “(viii) voluntary conversions of public
8 housing to vouchers, pursuant to section
9 22 (42 U.S.C. 1437t);

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

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

19 “(xi) vouchers used for the preserva-
20 tion of public housing units not included in
21 the operating formula under section
22 9(e)(2) (42 U.S.C. 1437g(e)(2));

23 “(xii) emergency voucher assistance
24 for the protection of victims of domestic vi-

1 olence, dating violence, sexual assault, or
2 stalking;

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

8 “(xiv) vouchers in connection with ap-
9 proved designated housing plans under sec-
10 tion 7 of this Act (42 U.S.C. 1437e);

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

14 “(xvi) project-based certificates au-
15 thorized under section 8(d)(2)(B), as in ef-
16 fect before the enactment of the Quality
17 Housing and Work Responsibility Act of
18 1998 (Public Law 105–276); and

19 “(xvii) assistance under section
20 8(e)(2), as in effect before the enactment
21 of Cranston-Gonzalez National Affordable
22 Housing Act (Public Law 101–625), for
23 single-room occupancy properties described
24 in section 8(n), as in effect before the en-
25 actment of the Quality Housing and Work

1 Responsibility Act of 1998 (Public Law
2 105–276).

3 Prioritization of funding for such purposes shall
4 be made in accordance with policies established
5 by the Secretary by notice or regulation, or as
6 may be provided for in appropriations Acts.

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

9 “(A) IN GENERAL.—From amounts appro-
10 priated for each year pursuant to paragraph
11 (1)(A) and any amounts made available for pre-
12 vious fiscal years and carried over, the Sec-
13 retary shall provide renewal funding for each
14 public housing agency—

15 “(i) based on leasing and cost data
16 from the preceding calendar year, as ad-
17 justed by an Annual Adjustment Factor to
18 be established by the Secretary;

19 “(ii) by making any adjustments nec-
20 essary to provide for the first-time renewal
21 of vouchers funded under paragraph
22 (1)(B) and of any incremental vouchers
23 funded in previous years;

24 “(iii)) by making any adjustments
25 necessary for full year renewal funding of

1 vouchers which are subject to billing re-
2 lated to families that moved out of a juris-
3 diction in the prior calendar year, pursuant
4 to portability procedures under subsection
5 (r);

6 “(iv) by making any adjustments nec-
7 essary to include vouchers that were set
8 aside under a commitment to provide
9 project-based assistance under subsection
10 (o)(13); and

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

17 “(B) LEASING AND COST DATA.—For pur-
18 poses of subparagraph (A)(i), leasing and cost
19 data shall be calculated annually by using the
20 average for the preceding calendar year. Such
21 leasing and cost data shall be adjusted to ex-
22 clude amounts funded through advances under
23 paragraph (3). Such leasing and cost data shall
24 not include funds not appropriated for tenant-
25 based assistance under subsection (o) or (q) of

1 section 8, unless the agency's funding was pro-
2 rated in the prior year and the agency used
3 other funds to maintain vouchers in use.

4 “(C) LEASING RATE.—For purposes of de-
5 termining the allocations under subparagraph
6 (A)(i), the leasing rate calculated for an agency
7 for the prior calendar year shall include vouch-
8 ers that exceed the agency's authorized voucher
9 level only if they are funded through the alloca-
10 tion for the agency for the prior year pursuant
11 to subparagraph (A), including adjustments for
12 incremental and new tenant protection and en-
13 hanced vouchers.

14 “(D) MOVING TO WORK.—Notwithstanding
15 subparagraphs (A), (B), and (C), each public
16 housing agency participating in any year in the
17 moving to work program under section 204 of
18 the Departments of Veterans Affairs and Hous-
19 ing and Urban Development, and Independent
20 Agencies Appropriations Act, 1996 (42 U.S.C.
21 1437f note), including any agency participating
22 in such demonstration pursuant to authority
23 provided in any subsequent appropriations Act,
24 shall be funded pursuant to its agreement
25 under such program, shall be subject to any pro

1 rata adjustment made under subparagraph
2 (F)(i) of this paragraph, and shall not be sub-
3 ject to paragraphs (3), (4), and (5) of this sub-
4 section.

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

11 “(F) PRO RATA ALLOCATION.—

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

23 “(ii) EXCESS FUNDS.—To the extent
24 that amounts made available for a fiscal
25 year exceed the amount necessary to pro-

1 vide each housing agency with the full allo-
2 cation for the agency determined pursuant
3 to subparagraphs (A) and (D), such excess
4 amounts shall be used for the purposes
5 specified in paragraph (5)(B).

6 “(G) PROMPT FUNDING ALLOCATION.—
7 The Secretary shall allocate all funds under this
8 subsection for each year before the latter of (i)
9 February 15, or (ii) the expiration of the 60-
10 day period beginning upon the enactment of the
11 appropriations Act funding such renewals.

12 “(3) RESERVES.—For each calendar year, each
13 public housing agency shall be allowed to retain as
14 reserves an amount that is not less than 6 percent
15 of the amount allocated to such agency in such cal-
16 endar year pursuant to paragraph (2)(A) prior to
17 proration. The sources of such reserves may include
18 all allocated amounts from such year plus reserves
19 carried over from previous years. Reserves may be
20 used for overleasing in any year, regardless of
21 whether such use is eligible for renewal funding in
22 the subsequent calendar pursuant to paragraph
23 (2)(C).

24 “(4) ADVANCES.—

1 “(A) AUTHORITY.—Subject to either ap-
2 proval by the Secretary or the availability of ap-
3 propriations for renewals, during the last 3
4 months of each calendar year, the Secretary
5 shall provide to any public housing agency at
6 the request of the agency, an amount up to two
7 percent of the allocation for the agency for such
8 calendar year, except that an agency may not
9 receive advance amounts in two consecutive
10 years without the approval of the Secretary.

11 “(B) USE.—Amounts advanced under sub-
12 paragraph (A) may be used to pay for addi-
13 tional voucher costs, including costs related to
14 temporary overleasing.

15 “(C) USE OF PRIOR YEAR AMOUNTS.—If
16 reserve amounts from sources determined by
17 the Secretary remain unobligated and available
18 to the agency—

19 “(i) the Secretary may require the
20 agency to exhaust such amounts to cover
21 any additional voucher costs under sub-
22 paragraph (B) before amounts advanced
23 under subparagraph (A) may be so used;
24 and

1 “(ii) the amount that may be ad-
2 vanced under subparagraph (A) to the
3 agency shall be reduced by an amount
4 equal to the total of such previously pro-
5 vided and unobligated amounts that the
6 Secretary has required to be exhausted.

7 “(D) REPAYMENT.—Amounts advanced
8 under subparagraph (A) in a calendar year
9 shall be repaid to the Secretary in the subse-
10 quent calendar year by offsetting the amounts
11 made available for such agency for such subse-
12 quent calendar year pursuant to allocation
13 under paragraph (2) by an amount equal to the
14 amount so advanced to the agency.

15 “(5) OFFSET AND REALLOCATION OF FUNDS.—

16 “(A) IN GENERAL.—For each calendar
17 year, the Secretary may offset from amounts
18 that exceed the minimum reserve level estab-
19 lished pursuant to paragraph (3) against
20 amounts allocated to a public housing agency
21 pursuant to paragraph (2), except that any un-
22 used amount of the first year of a public hous-
23 ing agency’s allocation for new vouchers shall
24 not be subject to such offset.

1 “(B) REALLOCATION.—From any amounts
2 offset pursuant to subparagraph (A), combined
3 with any other funds that may be appropriated
4 for such purposes, the Secretary shall—

5 “(i) set aside and subsequently make
6 available such amounts as the Secretary
7 considers, in the discretion of the Sec-
8 retary, likely to be needed for such pur-
9 poses, as tenant protection, reimbursement
10 of public housing agencies for increased
11 costs related to portability and family self-
12 sufficiency activities pursuant to section
13 23(h) during such year, and adjustment of
14 allocations for housing agencies that have
15 experienced a significant increase in re-
16 newal costs resulting from unforeseen cir-
17 cumstances; and

18 “(ii) reallocate all remaining amounts
19 among public housing agencies to avoid or
20 reduce the proration of renewal funding al-
21 locations, and if funds remain after pro-
22 viding public housing agencies with 100
23 percent of the allocation due under para-
24 graph (2) and the amounts the Secretary
25 determines to be necessary under clause

1 (i), based on priorities established by the
2 Secretary, including priority given based
3 on the extent to which the amount allo-
4 cated under paragraph (2) for the agency
5 to serve eligible families and the relative
6 need for additional voucher assistance for
7 use only to increase voucher leasing
8 rates.”.

9 (b) VOUCHERS FOR PERSONS WITH DISABILITIES
10 AND HOMELESS VETERANS.—The Secretary of Housing
11 and Urban Development shall develop and issue, to public
12 housing agencies that have received voucher assistance
13 under section 8(o) of the United States Housing Act of
14 1937 (42 U.S.C. 1437f(o)) for non-elderly disabled fami-
15 lies, or under section 8(o)(19) of such Act for homeless
16 veterans, pursuant to appropriations Acts for fiscal year
17 1997 and fiscal years thereafter, guidance to ensure that,
18 to the maximum extent practicable, such vouchers con-
19 tinue to be provided upon turnover to qualified non-elderly
20 disabled families or homeless veterans, respectively.

21 (c) EFFECTIVE DATE.—The amendments made by
22 this section shall take effect on such date as the Secretary
23 of Housing and Urban Development shall designate by no-
24 tice.

1 **SEC. ____ 7. FAMILY SELF-SUFFICIENCY.**

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

7 “(1) SECTION 8 FEES.—

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

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

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

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

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

6 “(iii) PREVIOUSLY FUNDED AGEN-
7 CIES.—An agency that received funding
8 from the Department of Housing and
9 Urban Development for more than three
10 such coordinators in any of fiscal years
11 2006 through 2010 shall receive funding
12 for the highest number of coordinators
13 funded in a single fiscal year during that
14 period, provided they meet applicable size
15 and performance standards.

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

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

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

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

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

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

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

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

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

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

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

1 (b) REPEAL.—Section 202 of the Departments of
2 Veterans Affairs and Housing and Urban Development,
3 and Independent Agencies Appropriations Act, 1997 (42
4 U.S.C. 1437f note; Public Law 104–204; 110 Stat. 2893)
5 is hereby repealed.

6 (c) EFFECTIVE DATE.—The Secretary of Housing
7 and Urban Development shall issue notice to implement
8 the amendments made by this section and such amend-
9 ments shall take effect upon such issuance.

10 **SEC. ___ 8. HOMEOWNERSHIP.**

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

16 “(A) IN GENERAL.—Subject to the provi-
17 sions of this paragraph, in the case of a family
18 on whose behalf rental assistance under section
19 8(o) has been provided for a period of not less
20 than 12 months prior to the date of receipt of
21 downpayment assistance under this paragraph,
22 a public housing agency may, in lieu of pro-
23 viding monthly assistance payments under this
24 subsection on behalf of a family eligible for
25 such assistance and at the discretion of the

1 agency, provide a downpayment assistance
2 grant in accordance with subparagraph (B).

3 “(B) GRANT REQUIREMENTS.—A down-
4 payment assistance grant under this para-
5 graph—

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

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

13 “(iii) may not exceed \$10,000.

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

21 “(D) COUNSELING AND SELF-SUFFICIENCY
22 PROGRAMS.—A public housing agency may re-
23 quire prepurchase housing counseling or partici-
24 pation in a self-sufficiency program as a condi-

1 tion of a family receiving downpayment assist-
2 ance under this paragraph.”.

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

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

10 (2) in subparagraph (B)—

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

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

24 (C) in clause (iii)—

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

13 (ii) by redesignating such clause as
14 clause (ii).

15 (c) **EFFECTIVE DATE.**—The Secretary of Housing
16 and Urban Development shall issue notice to implement
17 the amendments made by this section and such amend-
18 ment shall take effect upon such issuance.

19 **SEC. ___ 9. ENHANCED VOUCHERS.**

20 Paragraph (2) of section 8(t) of the United States
21 Housing Act of 1937 (42 U.S.C. 1437f(t)(2)) is amended
22 by adding at the end the following new sentence: “Such
23 term includes the occurrence of the maturity date on a
24 mortgage on a multifamily housing project that, before
25 such maturity date, would have been eligible for enhanced

1 voucher assistance upon prepayment of the mortgage ex-
2 cept that an eligibility date described in the preceding sen-
3 tence did not occur.”.

4 **SEC. ___ 10. PHA PROJECT-BASED ASSISTANCE.**

5 Paragraph (13) of section 8(o) of the United States
6 Housing Act of 1937 (42 U.S.C. 1437f(o)(13)) is amend-
7 ed—

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

10 (2) by striking “structures” each place such
11 term appears and inserting “projects”;

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

14 “(B) PERCENTAGE LIMITATION.—

15 “(i) IN GENERAL.—Subject to clause
16 (ii), a public housing agency may use for
17 project-based assistance under this para-
18 graph not more than the greater of—

19 “(I) 20 percent of the authorized
20 voucher level for the agency; or

21 “(II) 20 percent of the funding
22 available to the agency for tenant-
23 based assistance under this sub-
24 section.

25 “(ii) EXCEPTION.—

1 “(I) USE.—In addition to
2 amounts used under clause (i), a pub-
3 lic housing agency may use an addi-
4 tional amount of project-based assist-
5 ance under this paragraph, as pro-
6 vided in subclause (II), to provide
7 dwelling units that house individuals
8 and families that meet the definition
9 of homeless under section 103 of the
10 McKinney-Vento Homeless Assistance
11 Act (42 U.S.C. 11302), that provide
12 supportive housing to persons with
13 disabilities, or that are located in
14 areas where vouchers under this sub-
15 section are difficult to use, as speci-
16 fied in subparagraph (D)(ii)(II). The
17 Secretary may, by regulation, estab-
18 lish additional categories for the ex-
19 ception under this clause.

20 “(II) LIMITATION.—The amount
21 of additional project-based assistance
22 a public housing agency may use
23 under this clause is 5 percent of the
24 greater of the amounts under sub-
25 clause (I) or (II) of clause (i).”;

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

3 “(D) INCOME MIXING REQUIREMENT.—

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

15 “(ii) EXCEPTIONS.—

16 “(I) CERTAIN HOUSING.—The
17 limitation under clause (i) shall not
18 apply to dwelling units assisted under
19 a contract that are exclusively made
20 available to elderly families or to
21 households eligible for social services
22 that are made available to residents of
23 the project, according to standards for
24 such services as are established by the
25 Secretary. The Secretary may estab-

1 lish additional requirements for moni-
2 toring and oversight of projects in
3 which more than 40 percent of the
4 dwelling units are assisted.

5 “(II) CERTAIN AREAS.—With re-
6 spect to areas in which tenant-based
7 vouchers for assistance under this
8 subsection are difficult to use, as de-
9 termined by the Secretary, and with
10 respect to census tracts with a poverty
11 rate of 20 percent or less, clause (i)
12 shall be applied by substituting ‘40
13 percent’ for ‘25 percent’, and the Sec-
14 retary may, by regulation, establish
15 additional conditions.”;

16 (5) by striking subparagraph (F) and inserting
17 the following new subparagraph:

18 “(F) CONTRACT TERM.—A housing assist-
19 ance payment contract pursuant to this para-
20 graph between a public housing agency and the
21 owner of a project may have a term of up to
22 20 years, subject to—

23 “(i) the availability of sufficient ap-
24 propriated funds for the purpose of renew-
25 ing expiring contracts for assistance pay-

1 ments, as provided in appropriation Acts
2 and in the agency’s annual contributions
3 contract with the Secretary, provided that
4 in the event of insufficient appropriated
5 funds, payments due under contracts
6 under this paragraph shall take priority if
7 other cost-saving measures that do not re-
8 quire the termination of an existing con-
9 tract are available to the agency; and

10 “(ii) compliance with the inspection
11 requirements under paragraph (8), except
12 that the Secretary may modify the applica-
13 tion of paragraph (8) to properties assisted
14 under this paragraph, through actions in-
15 cluding permitting inspection of a sample
16 of dwelling units in a project, avoiding du-
17 plicative requirements, and incentivizing
18 high performance.

19 The contract may specify additional conditions,
20 including with respect to continuation, termi-
21 nation, or expiration.”;

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

24 (7) in subparagraph (H), by striking “(or any
25 exception payment standard approved by the Sec-

1 retary pursuant to paragraph (1)(D))” and inserting
2 “(or any exception payment standard approved by
3 the Secretary for the area pursuant to paragraph
4 (1)(D) or for the project)”;

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

7 “(I) RENT ADJUSTMENTS.—A housing as-
8 sistance payment contract pursuant to this
9 paragraph shall provide for rent adjustments if
10 requested by the owner, except that—

11 “(i) the adjusted rent for any unit as-
12 sisted shall be reasonable in comparison
13 with rents charged for comparable dwelling
14 units in the private, unassisted, local mar-
15 ket and may not exceed the maximum rent
16 permitted under subparagraph (H); and

17 “(ii) the contract may provide that
18 the maximum rent permitted for a dwelling
19 unit shall not be less than the initial rent
20 for the dwelling unit under the initial
21 housing assistance payment contract cov-
22 ering the unit.”;

23 (9) in subparagraph (J) by striking the fifth
24 and sixth sentences and inserting the following: “A
25 public housing agency may establish and utilize pro-

1 cedures for maintaining site-based waiting lists
2 under which applicants may apply directly at, or
3 otherwise designate to the public housing agency,
4 the project or projects in which they seek to reside,
5 except that all eligible applicants on the waiting list
6 of an agency for assistance under this subsection
7 shall be permitted to place their names on such sep-
8 arate list, subject to policies and procedures estab-
9 lished by the Secretary. All such procedures shall
10 comply with title VI of the Civil Rights Act of 1964,
11 the Fair Housing Act, section 504 of the Rehabilita-
12 tion Act of 1973, and other applicable civil rights
13 laws. The owner or manager of a project assisted
14 under this paragraph shall not admit any family to
15 a dwelling unit assisted under a contract pursuant
16 to this paragraph other than a family referred by
17 the public housing agency from its waiting list, or a
18 family on a site-based waiting list that complies with
19 the requirements of this subparagraph. A public
20 housing agency shall disclose to each applicant all
21 other options in the selection of a project in which
22 to reside that are provided by the public housing
23 agency and are available to the applicant.”; and

24 (10) by adding at the end the following new
25 subparagraphs:

1 “(N) LEASES AND TENANCY.—Notwith-
2 standing any other provision of law, for the
3 term of the contract under this paragraph, the
4 owner may terminate a tenancy only for serious
5 or repeated violations of the terms and condi-
6 tions of the lease or for violation of applicable
7 law.

8 “(O) STRUCTURE OWNED BY AGENCY.—A
9 public housing agency that, as part of an initia-
10 tive to improve, develop, or replace a public
11 housing property or site, otherwise has the au-
12 thority to attach assistance to an existing,
13 newly constructed, or rehabilitated structure in
14 which the agency has an ownership interest or
15 which the agency has control of, may attach
16 such assistance without following a competitive
17 process, but only if the agency includes such
18 initiative in its public housing agency plan
19 under section 5A. The preceding sentence may
20 not be construed to alter the ability of a public
21 housing agency to attach assistance to struc-
22 tures or to alter any requirements related to
23 such assistance under other applicable law.”.

1 **SEC. ____ 11. RENT BURDENS.**

2 (a) **REVIEWS.**—Paragraph (1) of section 8(o) of the
3 United States Housing Act of 1937 (42 U.S.C.
4 1437f(o)(1)) is amended by striking subparagraph (E)
5 and inserting the following new subparagraph:

6 “(E) **REVIEWS.**—

7 “(i) **RENT BURDENS.**—The Secretary
8 shall monitor rent burdens and submit a
9 report to the Congress annually on the
10 percentage of families assisted under this
11 subsection, occupying dwelling units of any
12 size, that pay more than 30 percent of
13 their adjusted incomes for rent and such
14 percentage that pay more than 40 percent
15 of their adjusted incomes for rent. Using
16 information regularly reported by public
17 housing agencies, the Secretary shall pro-
18 vide public housing agencies, on an annual
19 basis, a report with the information de-
20 scribed in the first sentence of this clause,
21 and may require a public housing agency
22 to modify a payment standard that results
23 in a significant percentage of families as-
24 sisted under this subsection, occupying
25 dwelling units of any size, paying more
26 than 30 percent of their adjusted incomes

1 for rent. In implementing the requirements
2 of this clause, the Secretary shall separate
3 out calculations and consideration of fami-
4 lies whose rent contributions are calculated
5 under section 3(a)(3) and clauses (ii) and
6 (iii) of paragraph (2)(A) of this subsection.

7 “(ii) CONCENTRATION OF POVERTY.—
8 The Secretary shall submit a report to the
9 Congress annually on the degree to which
10 families assisted under this subsection in
11 each metropolitan area are clustered in
12 lower rent, higher poverty areas, which
13 shall include reporting of data by race and
14 ethnicity, and how, and the extent to
15 which, greater geographic distribution of
16 such assisted families could be achieved,
17 including by increasing payment standards
18 for particular communities within such
19 metropolitan areas.

20 “(iii) PUBLIC HOUSING AGENCY RE-
21 SPONSIBILITIES.—Each public housing
22 agency shall make publicly available the in-
23 formation on rent burdens provided by the
24 Secretary pursuant to clause (i), and, for
25 agencies located in metropolitan areas, the

1 information on concentration provided by
2 the Secretary pursuant to clause (ii). If a
3 public housing agency has a high degree of
4 concentration of poverty, as determined
5 under a standard to be developed by the
6 Secretary in accordance with clause (ii), or
7 if the percentage of families paying more
8 than 40 percent of their adjusted net in-
9 come exceeds a percentage level, to be es-
10 tablished by the Secretary, the public hous-
11 ing agency shall adjust the payment stand-
12 ard to eliminate excessive rent burdens
13 within a reasonable time period or explain
14 its reasons for not making such adjust-
15 ment. The Secretary may not deny the re-
16 quest of a public housing agency to set a
17 payment standard up to 120 percent of the
18 fair market rent to eliminate excessive rent
19 burdens in accordance with the preceding
20 sentence, except on the basis that an agen-
21 cy has not demonstrated that its request
22 meets these criteria. If a request of a pub-
23 lic housing agency has not been denied or
24 approved with 45 days after the request is

1 made, the request shall be considered to
2 have been approved.”.

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

14 (c) RENT BURDENS FOR PERSONS WITH DISABIL-
15 ITIES.—Subparagraph (D) of section 8(o)(1) is amended
16 by inserting before the period at the end the following:
17 “, except that a public housing agency may establish a
18 payment standard of not more than 120 percent of the
19 fair market rent where necessary as a reasonable accom-
20 modation for a person with a disability, without approval
21 of the Secretary. A public housing agency may seek ap-
22 proval of the Secretary to use a payment standard greater
23 than 120 percent of the fair market rent as a reasonable
24 accommodation for a person with a disability. In connec-
25 tion with the use of any increased payment standard es-

1 tablished or approved pursuant to either of the preceding
2 two sentences as a reasonable accommodation for a person
3 with a disability, the Secretary may not establish addi-
4 tional requirements regarding the amount of adjusted in-
5 come paid by such person for rent”.

6 **SEC. ___ 12. ESTABLISHMENT OF FAIR MARKET RENT.**

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

10 (1) by inserting “(A)” after the paragraph des-
11 ignation;

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

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

15 “(B) Fair market rentals for an area shall be pub-
16 lished not less than annually by the Secretary on the site
17 of the Department on the World Wide Web and in any
18 other manner specified by the Secretary. Notice that such
19 fair market rentals are being published shall be published
20 in the Federal Register, and such fair market rentals shall
21 become effective no earlier than 30 days after the date
22 of such publication. The Secretary shall establish a proce-
23 dure for public housing agencies and other interested par-
24 ties to comment on such fair market rentals and to re-
25 quest, within a time specified by the Secretary, reevalua-

1 tion of the fair market rental in a jurisdiction. The Sec-
2 retary shall cause to be published for comment in the Fed-
3 eral Register notices of proposed material changes in the
4 methodology for estimating fair market rentals and no-
5 tices specifying the final decisions regarding such pro-
6 posed substantial methodological changes and responses to
7 public comments.”.

8 (b) PAYMENT STANDARD.—Subparagraph (B) of sec-
9 tion 8(o)(1) of the United States Housing Act of 1937
10 (42 U.S.C. 1437f(o)(1)(B)) is amended by inserting be-
11 fore the period at the end the following: “, except that
12 no public housing agency shall be required as a result of
13 a reduction in the fair market rental to reduce the pay-
14 ment standard applied to a family continuing to reside in
15 a unit for which the family was receiving assistance under
16 this section at the time the fair market rental was reduced.
17 The Secretary shall allow public housing agencies to re-
18 quest exception payment standards within fair market
19 rental areas subject to criteria and procedures established
20 by the Secretary”.

21 (c) EFFECTIVE DATE.—The amendments made by
22 this section shall take effect upon the date of the enact-
23 ment of this Act.

1 **SEC. ____ 13. SCREENING OF APPLICANTS.**

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

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

7 “(B) SELECTION OF TENANTS.—

8 “(i) FUNCTION OF OWNER.—Each”;

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

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

13 “(ii) SCREENING.—In addition”;

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

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

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

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

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

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

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

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

10 (1) in subsection (b)(1)—

11 (A) in subparagraph (A), by inserting “,
12 based on evidence that is credible and objec-
13 tive,” after “determines”; and

14 (B) in subparagraph (B)—

15 (i) by striking “that it has reasonable
16 cause to believe” and inserting “, based on
17 evidence that is credible and objective,”;

18 (ii) by striking “illegal use (or pattern
19 of illegal use)” and inserting “pattern of il-
20 legal use”; and

21 (iii) by striking “abuse (or pattern of
22 abuse)” and inserting “pattern of abuse”;
23 and

24 (2) in subsection (c)—

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

3 (B) in the matter that precedes paragraph
4 (1)—

5 (i) by inserting “, based on evidence
6 that is credible and objective,” after “de-
7 termines”;

8 (ii) by inserting ““, which shall take
9 into account the nature, extent, and sever-
10 ity of the criminal activity, as well as any
11 mitigating circumstances presented by the
12 household,” after “reasonable time”; and

13 (iii) by inserting “any pattern of” be-
14 fore “other criminal activity”;

15 (C) in paragraph (2), by inserting ““,
16 which period shall take into account the nature,
17 extent, and severity of the criminal activity, as
18 well as any mitigating circumstances presented
19 by the household,” after “reasonable period be-
20 ginning upon such activity”; 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 charge and conviction
25 unless such denial is based on a pattern of activity, the

1 commission of any offense against a child (including child
2 pornography offenses), the commission of any offense in-
3 volving a child victim, the commission of a sexual assault,
4 the commission of an assault, or the commission of violent,
5 disruptive (as such term is defined by the Secretary), or
6 illegal behavior that adversely affects the health or safety
7 of, or interferes with the right to peaceful enjoyment of
8 the premises by, other residents.”.

9 (d) REMOVAL OF SEX OFFENDERS.—Section 578 of
10 the Quality Housing and Work Responsibility Act of 1998
11 (42 U.S.C. 13663) is amended by striking subsection (a)
12 and inserting the following new subsection:

13 “(a) IN GENERAL.—Notwithstanding any other pro-
14 vision of law, an owner of federally assisted housing—

15 “(1) shall prohibit admission to such housing
16 for any household that includes an individual who is
17 subject to a lifetime registration requirement under
18 a State sex offender registration program; and

19 “(2) shall terminate assistance to, and any
20 lease or right to occupancy of such housing by, any
21 household that includes any individual who is subject
22 to a lifetime registration requirement under a State
23 sex offender registration program.”.

1 **SEC. ____ 14. DEMONSTRATION PROGRAM WAIVER AUTHOR-**
2 **ITY.**

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

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

24 (c) **DEMONSTRATION PROGRAMS.—**A demonstration
25 program described in this subsection is a demonstration
26 program of a State that provides for persons with signifi-

1 cant disabilities to be employed and continue to receive
2 benefits under programs of the Department of Health and
3 Human Services and the Social Security Administration,
4 including the program of supplemental security income
5 benefits under title XVI of the Social Security Act, dis-
6 ability insurance benefits under title II of such Act, and
7 the State program for medical assistance (Medicaid) under
8 title XIX of such Act.

9 **SEC. ___ 15. UTILITY DATA.**

10 Section 8(o) of the United States Housing Act of
11 1937 (42 U.S.C. 1437f(o), as amended by the preceding
12 provisions of this title, is further amended by adding at
13 the end the following new paragraph:

14 “(22) UTILITY DATA.—

15 “(A) PUBLICATION.—The Secretary shall,
16 to the extent that data can be collected cost ef-
17 fectively, regularly publish such data regarding
18 utility consumption and costs in local areas as
19 the Secretary determines will be useful for the
20 establishment of allowances for tenant-paid util-
21 ities for families assisted under this subsection.

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

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

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

5 **SEC. ____ 16. ACCESS TO HUD PROGRAMS FOR PERSONS**
6 **WITH LIMITED ENGLISH PROFICIENCY.**

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

13 (1) TASK FORCE.—Within 90 days after the en-
14 actment of this Act, convene a task force comprised
15 of appropriate industry groups, recipients of funds
16 from the Department of Housing and Urban Devel-
17 opment (in this section referred to as the “Depart-
18 ment”), community-based organizations that serve
19 individuals with limited English proficiency, civil
20 rights groups, and stakeholders, which shall periodi-
21 cally identify a list of vital documents, including De-
22 partment and certain property and other documents,
23 to be competently translated to improve access to
24 federally conducted and federally assisted programs
25 and activities for individuals with limited English

1 proficiency. Such lists shall identify priorities per-
2 taining to translation of such vital documents, con-
3 sistent with the Department's Guidance to Federal
4 Financial Assistance Recipients Regarding Title VI
5 Prohibition Against National Origin Discrimination
6 Affecting Limited English Proficient Persons. The
7 task force shall meet not less frequently than twice
8 per year.

9 (2) TRANSLATIONS.—Within 6 months after
10 identification of documents pursuant to paragraph
11 (1), produce translations of such documents in lan-
12 guages identified by the task force, in coordination
13 with the Department, and make such translations
14 available as part of the library of forms available on
15 the website of the Department and as part of the
16 clearinghouse developed pursuant to paragraph (4).

17 (3) PLAN.—Develop and carry out a plan that
18 includes providing resources of the Department to
19 assist recipients of Federal funds to improve access
20 to programs and activities for individuals with lim-
21 ited English proficiency, which plan shall include the
22 elements described in paragraph (4).

23 (4) HOUSING INFORMATION RESOURCE CEN-
24 TER.—Develop and maintain a housing information
25 resource center to facilitate the provision of lan-

1 guage services by recipients of funds of the Depart-
2 ment to individuals with limited English proficiency.
3 Information provided by such center shall be made
4 available in printed form and through the Internet.
5 The resources provided by the center shall include
6 the following:

7 (A) TRANSLATION OF WRITTEN MATE-
8 RIALS.—The center may provide, directly or
9 through contract, translations of vital docu-
10 ments from competent translation services for
11 recipients of funds of the Department.

12 (B) INTERPRETATION SERVICES TELE-
13 PHONE LINE.—

14 (i) REQUIREMENT.—The center shall
15 provide a 24-hour interpretation services
16 telephone line, by which recipients of funds
17 of the Department and individuals with
18 limited English proficiency can jointly ac-
19 cess such line in order to receive interpre-
20 tation services with respect to housing ac-
21 cess and receipt of assistance under pro-
22 grams funded by the Department. Such
23 telephone line shall supplement resources
24 in the community identified by the plan
25 pursuant to paragraph (3).

1 (ii) FEE.— To the extent that appro-
2 priations that are made available pursuant
3 to subsection (b) are not sufficient to cover
4 the cost of such service, the Secretary may
5 establish and collect a reasonable fee, to
6 the extent provided in advance in an ap-
7 propriations Act, to cover the actual cost
8 of such service, which shall be payable by
9 the recipient of the Department’s funds
10 using the service. Such fees and other ex-
11 penses incurred to provide language serv-
12 ices to persons with limited English pro-
13 ficiency paid by recipients of the Depart-
14 ment’s funds shall be permitted to be pay-
15 able from funds available for implementing
16 affirmative marketing strategies and from
17 funds available for administration of rental
18 assistance, including funds under section
19 9(e) of the United States Housing Act of
20 1937 (42 U.S.C. 1437g(e)). Recipients of
21 the Department’s funds may not seek re-
22 imbursement for such fees and other ex-
23 penses from families being assisted by or
24 applicants for federal financial assistance
25 from the Department’s funds.

1 (C) DOCUMENT CLEARINGHOUSE.—The
2 center shall collect and evaluate for accuracy or
3 develop, and make available, templates and doc-
4 uments that are necessary for consumers, rel-
5 evant industry representatives, and other stake-
6 holders of the Department, to access, make
7 educated decisions, and communicate effectively
8 about their housing, including—

9 (i) administrative and property docu-
10 ments;

11 (ii) legally binding documents;

12 (iii) consumer education and outreach
13 materials;

14 (iv) documents regarding rights and
15 responsibilities of any party; and

16 (v) remedies available to consumers.

17 (D) STUDY OF LANGUAGE ASSISTANCE
18 PROGRAMS.—Not later than 18 months after
19 the date of the enactment of this Act, the cen-
20 ter shall submit a report to the Committee on
21 Financial Services of the House of Representa-
22 tives and the Committee on Banking, Housing,
23 and Urban Affairs of the Senate, which shall
24 provide recommendations for implementation of
25 best practices models that promote culturally

1 appropriate language assistance and strategies
2 to improve language services for individuals
3 with limited English proficiency. Such report
4 shall be specific to programs of the Depart-
5 ment, and information and templates shall be
6 made available to all recipients of grants from
7 the Department.

8 (b) AUTHORIZATION OF APPROPRIATIONS.—There
9 are authorized to be appropriated \$5,000,000 for each of
10 fiscal years 2011 through 2015 for the cost of carrying
11 out activities authorized under this section.

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

20 (d) SAVINGS CLAUSE.—Nothing in this section shall
21 be construed as to limit the meaning or applicability of
22 title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d
23 et seq.), executive orders, or of lawfully promulgated rules,
24 regulations, guidance, or orders of general applicability
25 issued by the Department to effectuate such title VI.

1 **SEC. ____ 17. ALLOWABLE TRANSFERS.**

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

6 “(23) ALLOWABLE TRANSFERS.—A public
7 housing agency may, in its sole discretion, subject to
8 procedures established by the Secretary and the
9 agreement of the receiving agency, transfer a portion
10 of its vouchers and related budget authority to a
11 public housing agency that administers a program
12 under this subsection.”.

13 **SEC. ____ 18. VETERANS AFFAIRS SUPPORTIVE HOUSING**
14 **PROGRAM.**

15 Paragraph (19) of section 8(o) of the United States
16 Housing Act of 1937 (42 U.S.C. 1437f(o)(19)) is amend-
17 ed—

18 (1) in subparagraph (A)—

19 (A) in the first sentence, by striking “sub-
20 paragraph (C)” and inserting “subparagraph
21 (F)”; and

22 (B) by striking the last sentence and in-
23 serting the following: “Such program shall pro-
24 vide rental assistance on behalf of homeless vet-
25 erans and their families, shall require that each
26 household assisted include a veteran who, at the

1 time of initial assistance under the program,
2 has a disability as defined in section 401(9) of
3 the McKinney-Vento Homeless Assistance Act
4 (42 U.S.C. 11360(9)), and shall ensure coordi-
5 nated health services and appropriate case man-
6 agement for each veteran receiving such rental
7 assistance.”;

8 (2) by redesignating subparagraph (C) as sub-
9 paragraph (F); and

10 (3) by inserting after subparagraph (B) the fol-
11 lowing new subparagraphs:

12 “(C) ALLOCATION.—The Secretary shall
13 make such funding available, through competi-
14 tive or noncompetitive procedures as the Sec-
15 retary determines appropriate, to public hous-
16 ing agencies that partner with eligible VA Med-
17 ical Centers or other entities as designated by
18 the Secretary of the Department of Veterans
19 Affairs, based on geographical need for such as-
20 sistance as identified by the Secretary of Vet-
21 erans Affairs, public housing agency adminis-
22 trative performance, and other factors as speci-
23 fied by the Secretary in consultation with the
24 Secretary of Veterans Affairs.

1 “(D) WAIVER AND ALTERNATIVE RE-
2 QUIREMENTS.—The Secretary may waive, or
3 specify alternative requirements for (in con-
4 sultation with the Secretary of Veterans Af-
5 fairs), any provision of any statute or regula-
6 tion that the Secretary administers in connec-
7 tion with the use of funds made available under
8 this section (except for requirements related to
9 fair housing, nondiscrimination, labor stand-
10 ards, and the environment), upon a finding by
11 the Secretary that any such waivers or alter-
12 native requirements are necessary for the effec-
13 tive delivery and administration of such voucher
14 assistance.

15 “(E) AVAILABILITY UPON TURNOVER.—
16 Assistance made available under this paragraph
17 shall continue to remain available for veterans
18 upon turn-over.”.

19 **SEC. ___ 19. PROVISION OF INFORMATION BY STATE AGEN-**
20 **CIES.**

21 (a) IN GENERAL.—Section 11 of the Food and Nutri-
22 tion Act of 2008 (7 U.S.C. 2020) is amended by adding
23 at the end the following new subsection:

24 “(v) ADMINISTRATIVE DATA FOR HOUSING AGEN-
25 CIES.—

1 “(1) IN GENERAL.—Subject to paragraph (2)
2 and any other requirements established by the Sec-
3 retary, each State agency shall make available to
4 public housing agencies (as such term is defined in
5 section 3(b) of the United States Housing Act of
6 1937 (42 U.S.C. 1437a(b)) as agreed to by both the
7 Secretary and the Secretary of Housing and Urban
8 Development and as the Secretary of Housing and
9 Urban Development shall publish by notice in the
10 Federal Register, data regarding the income and
11 composition of households that participate in the
12 Supplemental Nutrition Assistance Program.

13 “(2) REQUIREMENTS.—Each State agency shall
14 establish at least one procedure that—

15 “(A) allows public housing agencies to ob-
16 tain, on a timely and routine basis, data regard-
17 ing the income and composition of households
18 that participate in the Supplemental Nutrition
19 Assistance Program and that have applied for
20 or receive assistance under the United States
21 Housing Act of 1937 (42 U.S.C. 1437 et seq.)
22 for purposes of income determinations under
23 section 3(a)(7)(E) of such Act (42 U.S.C.
24 1437a(a)(7)(E)); and

1 “(B) ensures that public housing agencies
2 meet the safeguards of subsection (e)(8) of this
3 section.

4 “(3) DEADLINE.—State agencies shall establish
5 the procedure required under paragraph (2) no later
6 than January 1, 2012.”.

7 (b) CONFORMING AMENDMENT.—Section
8 11(e)(8)(F) of the Food and Nutrition Act of 2008 (7
9 U.S.C. 2020(e)(8)(F)) is amended by striking “subsection
10 (u)” and inserting “subsection (u) or (v)”.

