

[DISCUSSION DRAFT]

112TH CONGRESS
1ST SESSION

H. R. _____

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

IN THE HOUSE OF REPRESENTATIVES

M. _____ introduced the following bill; which was referred to the Committee on _____

A BILL

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

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

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

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Section 8 Savings Act of 2011”.

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

Sec. 1. Short title and table of contents.

TITLE I—SECTION 8 PROGRAM REFORMS TIED TO SELF-SUFFICIENCY SUPPORT

- Sec. 101. Applicability contingent on carrying out self-sufficiency and rental assistance counseling support program.
- Sec. 102. Inspection of dwelling units.
- Sec. 103. Rent reform and income reviews.
- Sec. 104. Self-sufficiency and rental assistance counseling support program.

TITLE II—OTHER SECTION 8 PROGRAM REFORMS

- Sec. 201. Eligibility for assistance based on assets and income.
- Sec. 202. Targeting assistance to low-income working families.
- Sec. 203. Use of voucher funds.
- Sec. 204. PHA project-based assistance.
- Sec. 205. Establishment of fair market rent.
- Sec. 206. Screening of applicants.
- Sec. 207. Utility data.
- Sec. 208. Family self-sufficiency program.
- Sec. 209. Study regarding occupancy of assisted housing by both elderly persons and persons with disabilities.
- Sec. 210. Housing assistance criteria simplification.

TITLE III—ACCESS TO HUD PROGRAMS AND MARK-TO-MARKET PROGRAM EXTENSION

- Sec. 301. Access to HUD programs for persons with limited English proficiency.
- Sec. 302. Extension of Mark-to-Market Program.

1 **TITLE I—SECTION 8 PROGRAM** 2 **REFORMS TIED TO SELF-SUF-** 3 **FICIENCY SUPPORT**

4 **SEC. 101. APPLICABILITY CONTINGENT ON CARRYING OUT** 5 **SELF-SUFFICIENCY AND RENTAL ASSISTANCE** 6 **COUNSELING SUPPORT PROGRAM.**

7 (a) APPLICABILITY OF REFORMS TO PARTICIPATING
8 PHAS.—The provisions of sections 102, 103, and 104 of
9 this Act shall apply only with respect to public housing
10 agencies that are participating in and carrying out, as de-
11 termined by the Secretary of Housing and Urban Develop-
12 ment, a Self-Sufficiency and Rental Assistance Counseling
13 Support Program under section 37 of the United States

1 Housing Act of 1937, as added by section 104 of this Act,
2 and only during the period of such participation.

3 (b) TREATMENT OF NON-PARTICIPATING PHAS.—

4 The provisions of title I of the United States Housing Act
5 of 1937 (42 U.S.C. 1437 et seq.), as amended by titles
6 II and III of this Act, but without regard to the provisions
7 of sections 102, 103, and 104, shall apply to public hous-
8 ing agencies not described in subsection (a) of this section.

9 **SEC. 102. INSPECTION OF DWELLING UNITS.**

10 (a) IN GENERAL.—With respect only to public hous-
11 ing agencies referred to in section 101(a) of this Act, sec-
12 tion 8(o)(8) of the United States Housing Act of 1937
13 (42 U.S.C. 1437f(o)(8)) shall be considered to be amend-
14 ed—

15 (1) by striking subparagraph (A) and inserting
16 the following new subparagraph:

17 “(A) INITIAL INSPECTION.—

18 “(i) IN GENERAL.—For each dwelling
19 unit for which a housing assistance pay-
20 ment contract is established under this
21 subsection, the public housing agency (or
22 other entity pursuant to paragraph (11))
23 shall inspect the unit before any assistance
24 payment is made to determine whether the
25 dwelling unit meets the housing quality

1 standards under subparagraph (B), except
2 as provided in clause (ii) or (iii) of this
3 subparagraph.

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

1 and may use any payments withheld to
2 make assistance payments relating to the
3 period during which payments were with-
4 held.

5 “(iii) USE OF ALTERNATIVE INSPEC-
6 TION METHOD FOR INTERIM PERIOD.—In
7 the case of any property that within the
8 previous 12 months has met the require-
9 ments of an inspection that qualifies as an
10 alternative inspection method pursuant to
11 subparagraph (E), a public housing agency
12 may authorize occupancy before the inspec-
13 tion under clause (i) has been completed,
14 and may make assistance payments retro-
15 active to the beginning of the lease term
16 after the unit has been determined pursu-
17 ant to an inspection under clause (i) to
18 meet the housing quality standards under
19 subparagraph (B).”;

20 (2) by redesignating subparagraph (E) as sub-
21 paragraph (H); and

22 (3) by striking subparagraph (D) and inserting
23 the following new subparagraphs:

24 “(D) BIENNIAL INSPECTIONS.—

1 “(i) REQUIREMENT.—Each public
2 housing agency providing assistance under
3 this subsection (or other entity, as pro-
4 vided in paragraph (11)) shall, for each as-
5 sisted dwelling unit, make inspections not
6 less often than biennially during the term
7 of the housing assistance payments con-
8 tract for the unit to determine whether the
9 unit is maintained in accordance with the
10 requirements under subparagraph (A).

11 “(ii) USE OF ALTERNATIVE INSPEC-
12 TION METHOD.—The requirement under
13 clause (i) may be complied with by use of
14 inspections that qualify as an alternative
15 inspection method pursuant to subpara-
16 graph (E).

17 “(iii) RECORDS.—The agency (or
18 other entity) shall retain the records of the
19 inspection for a reasonable time and shall
20 make the records available upon request to
21 the Secretary, the Inspector General for
22 the Department of Housing and Urban
23 Development, and any auditor conducting
24 an audit under section 5(h).

1 “(E) ALTERNATIVE INSPECTION METH-
2 OD.—An inspection of a property shall qualify
3 as an alternative inspection method for pur-
4 poses of this subparagraph if—

5 “(i) the inspection was conducted pur-
6 suant to requirements under a Federal,
7 State, or local housing assistance program
8 (including the HOME investment partner-
9 ships program under title II of the Cran-
10 ston-Gonzalez National Affordable Housing
11 Act (42 U.S.C. 12721 et seq.) and the low-
12 income housing tax credit program under
13 section 42 of the Internal Revenue Code of
14 1986); and

15 “(ii) pursuant to such inspection, the
16 property was determined to meet the
17 standards or requirements regarding hous-
18 ing quality or safety applicable to units as-
19 sisted under such program, and, if a non-
20 Federal standard was used, the public
21 housing agency has certified to the Sec-
22 retary that such standards or requirements
23 provide the same protection to occupants
24 of dwelling units meeting such standards
25 or requirements as, or greater protection

1 than, the housing quality standards under
2 subparagraph (B).

3 “(F) INTERIM INSPECTIONS.—Upon notifi-
4 cation to the public housing agency, by a family
5 on whose behalf tenant-based rental assistance
6 is provided under this subsection or by a gov-
7 ernment official, that the dwelling unit for
8 which such assistance is provided does not com-
9 ply with the housing quality standards under
10 subparagraph (B), the agency shall inspect the
11 dwelling unit—

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

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

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

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

1 ing quality standards under subparagraph
2 (B) if—

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

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

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

14 “(aa) in the case of any
15 such failure that is a result of
16 life-threatening conditions, within
17 24 hours after such notice has
18 been provided; and

19 “(bb) in the case of any
20 such failure that is a result of
21 non-life threatening conditions,
22 within 30 days after such notice
23 has been provided or such other
24 reasonable longer period as the

1 public housing agency may estab-
2 lish.

3 “(ii) WITHHOLDING OF ASSISTANCE
4 AMOUNTS DURING CORRECTION.—The
5 public housing agency may withhold assist-
6 ance amounts under this subsection with
7 respect to a dwelling unit for which a no-
8 tice pursuant to clause (i)(II), of failure to
9 comply with housing quality standards
10 under subparagraph (B) as determined
11 pursuant to an inspection conducted under
12 subparagraph (D) or (F), has been pro-
13 vided. If the unit is brought into compli-
14 ance with such housing quality standards
15 during the periods referred to in clause
16 (i)(III), the public housing agency shall re-
17 commence assistance payments and may
18 use any amounts withheld during the cor-
19 rection period to make assistance payments
20 relating to the period during which pay-
21 ments were withheld.

22 “(iii) ABATEMENT OF ASSISTANCE
23 AMOUNTS.—The public housing agency
24 shall abate all of the assistance amounts
25 under this subsection with respect to a

1 dwelling unit that is determined, pursuant
2 to clause (i) of this subparagraph, to be in
3 noncompliance with housing quality stand-
4 ards under subparagraph (B). Upon com-
5 pletion of repairs by the public housing
6 agency or the owner sufficient so that the
7 dwelling unit complies with such housing
8 quality standards, the agency shall recom-
9 mence payments under the housing assist-
10 ance payments contract to the owner of the
11 dwelling unit.

12 “(iv) NOTIFICATION.—If a public
13 housing agency providing assistance under
14 this subsection abates rental assistance
15 payments pursuant to clause (iii) with re-
16 spect to a dwelling unit, the agency shall,
17 upon commencement of such abatement—

18 “(I) notify the tenant and the
19 owner of the dwelling unit that—

20 “(aa) such abatement has
21 commenced; and

22 “(bb) if the dwelling unit is
23 not brought into compliance with
24 housing quality standards within
25 60 days after the effective date of

1 the determination of noncompli-
2 ance under clause (i) or such rea-
3 sonable longer period as the
4 agency may establish, the tenant
5 will have to move; and

6 “(II) issue the tenant the nec-
7 essary forms to allow the tenant to
8 move to another dwelling unit and
9 transfer the rental assistance to that
10 unit.

11 “(v) PROTECTION OF TENANTS.—An
12 owner of a dwelling unit may not terminate
13 the tenancy of any tenant because of the
14 withholding or abatement of assistance
15 pursuant to this subparagraph. During the
16 period that assistance is abated pursuant
17 to this subparagraph, the tenant may ter-
18 minate the tenancy by notifying the owner.

19 “(vi) TERMINATION OF LEASE OR AS-
20 SISTANCE PAYMENTS CONTRACT.—If as-
21 sistance amounts under this section for a
22 dwelling unit are abated pursuant to clause
23 (iii) and the owner does not correct the
24 noncompliance within 60 days after the ef-
25 fective date of the determination of non-

1 compliance under clause (i), or such other
2 reasonable longer period as the public
3 housing agency may establish, the agency
4 shall terminate the housing assistance pay-
5 ments contract for the dwelling unit.

6 “(vii) RELOCATION.—

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

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

1 available for occupancy after the expi-
2 ration of such period.

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

23 “(viii) TENANT-CAUSED DAMAGES.—
24 If a public housing agency determines that
25 any damage to a dwelling unit that results

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

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

20 (b) EFFECTIVE DATE.—The Secretary of Housing
21 and Urban Development shall issue notice or regulations
22 to implement subsection (a) of this section and such sub-
23 section shall take effect after such issuance.

1 **SEC. 103. RENT REFORM AND INCOME REVIEWS.**

2 (a) RENT FOR PUBLIC HOUSING AND SECTION 8
3 PROGRAMS.—With respect only to public housing agencies
4 referred to in section 101(a) of this Act, section 3 of the
5 United States Housing Act of 1937 (42 U.S.C. 1437a)
6 shall be considered to be amended—

7 (1) in subsection (a)—

8 (A) in paragraph (3)(A)—

9 (i) in the matter preceding clause (i),
10 by striking “\$50 per month” and inserting
11 “the greater of (aa) \$75, or (bb) the
12 amount that is equal to 12 percent of the
13 fair market rental, for the area in which
14 the family resides, for a dwelling of the
15 same size that the family resides in”; and

16 (ii) in clause (ii), by inserting before
17 the period at the end the following: “or by
18 the owner of the property receiving rental
19 assistance, as the Secretary may allow”;
20 and

21 (B) by adding at the end the following new
22 paragraphs:

23 “(6) REVIEWS OF FAMILY INCOME.—

24 “(A) FREQUENCY.—Reviews of family in-
25 come for purposes of this section shall be
26 made—

1 “(i) in the case of all families, upon
2 the initial provision of housing assistance
3 for the family;

4 “(ii) annually thereafter, except as
5 provided in subparagraph (B)(i);

6 “(iii) upon the request of the family,
7 at any time the income or deductions
8 (under subsection (b)(5)) of the family
9 change by an amount that is estimated to
10 result in a decrease of 10 percent (or such
11 lower amount as the Secretary may, by no-
12 tice, establish, or permit the public housing
13 agency or owner to establish) or more in
14 annual adjusted income; and

15 “(iv) at any time the income or deduc-
16 tions (under subsection (b)(5)) of the fam-
17 ily change by an amount that is estimated
18 to result in an increase of 10 percent or
19 more in annual adjusted income, or such
20 other amount as the Secretary may by no-
21 tice establish, except that any increase in
22 the earned income of a family shall not be
23 considered for purposes of this clause (ex-
24 cept that earned income may be considered
25 if the increase corresponds to previous de-

1 creases under clause (iii)), except that a
2 public housing agency or owner may elect
3 not to conduct such review in the last three
4 months of a certification period.

5 “(B) FIXED-INCOME FAMILIES.—

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

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

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

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

20 “(II) Social Security payments;

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

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

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

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

10 “(7) CALCULATION OF INCOME.—

11 “(A) USE OF CURRENT YEAR INCOME.—In
12 determining family income for initial occupancy
13 or provision of housing assistance pursuant to
14 clause (i) of paragraph (6)(A) or pursuant to
15 reviews pursuant to clause (iii) or (iv) of such
16 paragraph, a public housing agency or owner
17 shall use the income of the family as estimated
18 by the agency or owner for the upcoming year.

19 “(B) USE OF PRIOR YEAR INCOME.—In
20 determining family income for annual reviews
21 pursuant to paragraph (6)(A)(ii), a public hous-
22 ing agency or owner shall, except as otherwise
23 provided in this paragraph, use the income of
24 the family as determined by the agency or
25 owner for the preceding year, taking into con-

1 sideration any redetermination of income during
2 such prior year pursuant to clause (iii) or (iv)
3 of paragraph (6)(A).

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

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

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

24 “(iii) APPLICABILITY OF INFLA-
25 TIONARY FACTOR.—The inflationary factor

1 adjustment referred to in clause (i) shall
2 not be made with respect to the first year
3 after the year in which housing is occupied
4 or housing assistance is initially provided
5 for a family.

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

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

1 supplemental nutrition assistance program (as
2 such term is defined in section 3 of the Food
3 and Nutrition Act of 2008 (7 U.S.C. 2012)).
4 The Secretary shall, in consultation with other
5 appropriate Federal agencies, develop proce-
6 dures to enable public housing agencies and
7 owners to have access to such income deter-
8 minations made by other means-tested Federal
9 programs that the Secretary determines to have
10 comparable reliability. Exchanges of such infor-
11 mation shall be subject to the same limitations
12 and tenant protections provided under section
13 904 of the Stewart B. McKinney Homeless As-
14 sistance Act Amendments of 1988 (42 U.S.C.
15 3544) with respect to information obtained
16 under the requirements of section 303(i) of the
17 Social Security Act (42 U.S.C. 503(i)).

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

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

3 (b) INCOME.—With respect only to public housing
4 agencies referred to in section 101(a) of this Act, section
5 3(b) of the United States Housing Act of 1937 (42 U.S.C.
6 1437a(b)) shall be considered to be amended—

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

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

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

23 “(B) EXCLUDED AMOUNTS.—Such term
24 does not include—

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

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

8 “(iii) deferred disability benefits from
9 the Department of Veterans Affairs that
10 are received in a lump sum amount or in
11 prospective monthly amounts; and

12 “(iv) exclusions from income as estab-
13 lished by the Secretary by regulation or
14 notice, or any amount required by Federal
15 law to be excluded from consideration as
16 income.

17 “(C) EARNED INCOME OF STUDENTS.—
18 Such term does not include—

19 “(i) earned income, up to an amount
20 as the Secretary may by regulation estab-
21 lish, of any dependent earned during any
22 period that such dependent is attending
23 school or vocational training on a full-time
24 basis; or

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

3 “(I) for the cost of tuition or
4 books; or

5 “(II) in such amounts as the Sec-
6 retary may allow, for the cost of room
7 and board.

8 “(D) EDUCATIONAL SAVINGS ACCOUNTS.—
9 Income shall be determined without regard to
10 any amounts in or from, or any benefits from,
11 any Coverdell education savings account under
12 section 530 of the Internal Revenue Code of
13 1986 or any qualified tuition program under
14 section 529 of such Code.

15 “(E) RECORDKEEPING.—The Secretary
16 may not require a public housing agency or
17 owner to maintain records of any amounts ex-
18 cluded from income pursuant to this subpara-
19 graph.”; and

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

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

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

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

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

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

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

14 “(C) CHILD CARE.—The amount, if any,
15 that exceeds 5 percent of annual family income
16 that is used to pay for unreimbursed child care
17 expenses, which shall include child care for pre-
18 school-age children, for before- and after-care
19 for children in school, and for other child care
20 necessary to enable a member of the family to
21 be employed or further his or her education.

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

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

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

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

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

24 (c) HOUSING CHOICE VOUCHER PROGRAM.—With
25 respect only to public housing agencies referred to in sec-

1 tion 101(a) of this Act, paragraph (5) of section 8(o) of
2 the United States Housing Act of 1937 (42 U.S.C.
3 1437f(o)(5)) shall be considered to be amended—

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

6 (2) in subparagraph (A)—

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

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

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

16 (d) ENHANCED VOUCHER PROGRAM.—With respect
17 only to public housing agencies referred to in section
18 101(a) of this Act, section 8(t)(1)(D) of the United States
19 Housing Act of 1937 (42 U.S.C. 1437f(t)(1)(D)) shall be
20 considered to be amended by striking “income” each place
21 such term appears and inserting “annual adjusted in-
22 come”.

23 (e) PROJECT-BASED HOUSING.—With respect only to
24 public housing agencies referred to in section 101(a) of
25 this Act, paragraph (3) of section 8(c) of the United

1 States Housing Act of 1937 (42 U.S.C. 1437f(e)(3)) shall
2 be considered to be amended by striking the last 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 subsections (a)
7 through (e) of this section results in a material and
8 disproportionate reduction in the rental income of
9 certain public housing agencies during the first year
10 in which such subsections are implemented, the Sec-
11 retary may make appropriate adjustments in the for-
12 mula income for such year of those agencies experi-
13 encing 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 subsections (a) through (e) are imple-
17 mented, the Secretary of Housing and Urban Devel-
18 opment shall submit a report to Congress identifying
19 and calculating the impact of changes made by such
20 subsections and section 201 of this Act on the reve-
21 nues and costs of operating public housing units, the
22 voucher program for rental assistance under section
23 8 of the United States Housing Act of 1937, and
24 the program under such section 8 for project-based
25 rental assistance. If such report identifies a material

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

7 (g) RENT POLICY DEMONSTRATION.—

8 (1) IN GENERAL.—With respect only to public
9 housing agencies referred to in section 101(a) of this
10 Act, the Secretary of Housing and Urban Develop-
11 ment may administer a demonstration program,
12 which shall be initiated upon the commencement of
13 the first calendar year beginning after the date of
14 the enactment of this Act, for a limited number of
15 families assisted by such agencies under the United
16 States Housing Act of 1937 to determine the effec-
17 tiveness of different rent policies, which may include
18 providing income disregards, family self-sufficiency
19 accounts, and policies under which families pay
20 amounts different from 30 percent of their adjusted
21 income for rent, to encourage families to obtain em-
22 ployment, increase their incomes, and achieve eco-
23 nomic self-sufficiency.

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

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

6 (B) INCOME-TIERED RENTS.—Income-
7 tiered tenant rents under which the amount a
8 family pays for rent is set and established on
9 the basis of broad tiers of income, with annual
10 cost adjustments.

11 (C) EARNED INCOME DISREGARD.—A ten-
12 ant rent structure under which the amount of
13 rent a family pays is reduced through a dis-
14 regard of a portion of the percentage or of the
15 dollar amount of the family's earned income.

16 (3) PUBLIC HOUSING AGENCIES.—Such dem-
17 onstration shall include public housing agencies of
18 various sizes, including small public housing agen-
19 cies.

20 (h) EFFECTIVE DATE.—The Secretary of Housing
21 and Urban Development shall issue notice or regulations
22 to implement this section and this section shall take effect
23 after such issuance, except that this section may only take
24 effect upon the commencement of a calendar year.

1 **SEC. 104. SELF-SUFFICIENCY AND RENTAL ASSISTANCE**
2 **COUNSELING SUPPORT PROGRAM.**

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

6 **“SEC. 37. SELF-SUFFICIENCY AND RENTAL ASSISTANCE**
7 **COUNSELING SUPPORT PROGRAM.**

8 “(a) SELF-SUFFICIENCY PURPOSE.—The purpose of
9 this section is to support the efforts of public housing
10 agencies to develop measures to promote economic self-
11 sufficiency for families with children whose head of house-
12 hold is working, seeking work, or preparing for work, by
13 participating in job training, educational programs, or
14 other supportive services programs that assist in meeting
15 such goal.

16 “(b) PROGRAM AUTHORITY.—The Secretary shall
17 conduct a program under this section under which public
18 housing agencies that are approved by the Secretary for
19 participation shall carry out supportive services programs
20 that—

21 “(1) provide job training, educational programs,
22 and other supportive services and rental counseling
23 for some or all of the families who reside in a dwell-
24 ing for which the agency provides assistance under
25 section 8 or 9; and

1 “(2) involve partnerships with existing local
2 service providers to leverage and otherwise take ad-
3 vantage of existing resources within the community.

4 “(c) SCOPE.—There shall be no limitation on the
5 number of public housing agencies that the Secretary may
6 approve for participation in the program under this sec-
7 tion.

8 “(d) PROGRAM REQUIREMENTS.—The Secretary
9 shall require each public housing agency participating in
10 the program under this section to establish and maintain
11 plans, benchmarks, goals, and procedures sufficient to
12 evaluate the effectiveness of the agency’s supportive serv-
13 ices program in meeting the purpose under subsection (a)
14 and to comply with the reporting requirements under sub-
15 section (g)(1).

16 “(e) FLEXIBILITY.—The Secretary shall provide that
17 in designing or carrying out a supportive services program
18 or activities under such a demonstration, a public housing
19 agency may contract or partner with, hire, and otherwise
20 consult or coordinate with other servicer providers, organi-
21 zations, and entities to increase the effectiveness of the
22 program and better leverage available resources.

23 “(f) APPLICATION.—

24 “(1) SUBMISSION.—The Secretary shall provide
25 for public housing agencies to submit applications

1 for participation in the program under this section
2 and shall establish standards and requirements for
3 such applications, which shall include a description
4 of how the agency will comply with the requirement
5 under subsection (d).

6 “(2) REVIEW AND DETERMINATION.—Upon re-
7 ceipt of an application for participation in the pro-
8 gram under this section, the Secretary shall prompt-
9 ly—

10 “(A) review such application;

11 “(B) make a determination of whether to
12 approve such agency for participation in the
13 program under this section, based on the cri-
14 teria under paragraph (3); and

15 “(C) notify the public housing agency of
16 such determination.

17 “(3) CRITERIA.—The Secretary shall establish
18 criteria for approval of applications of public housing
19 agencies for participation in the program under this
20 section, which shall provide for approval of applica-
21 tions that are reasonably designed to carry out the
22 purpose of the program under subsection (a).

23 “(g) REPORTS.—

24 “(1) BY PHAS.—Each public housing agency
25 participating in the program under this section shall

1 submit a report annually to the Secretary that de-
2 scribes the supportive services program of the agen-
3 cy, the activities under such program, and the ef-
4 fects of the program and the activities under the
5 program in addressing and achieving the purpose
6 specified under subsection (a), including the effects
7 of the program on—

8 “(A) the number of families that have
9 achieved economic independence from housing
10 assistance that is administered by the agency,
11 including vouchers for rental assistance under
12 section 8(o) of the United States Housing Act
13 of 1937 and dwelling units in public housing
14 and in housing assisted with project-based sec-
15 tion 8 assistance;

16 “(B) the number of new families the agen-
17 cy has been able to assist from the waiting lists
18 for housing assistance referred to in clause (i)
19 that is administered by the agency, as a result
20 of the flexibility of funds and achievement of
21 economic independence;

22 “(C) the cost and annual change, per fam-
23 ily participating in the program, of providing
24 housing assistance referred to in clause (i) that
25 is administered by the agency; and

1 “(D) the household incomes, and changes
2 in such incomes, of families participating in the
3 program; and

4 “(E) such other factors as the Secretary
5 considers appropriate.

6 “(2) TO CONGRESS.—The Secretary shall sub-
7 mit a report annually to the Congress on the pro-
8 gram under this section and the effects of the pro-
9 gram and the activities under the program in ad-
10 dressing and achieving the purpose under subsection
11 (a), including the effects of the program overall on
12 the factors specified in subparagraphs (A) through
13 (D) of paragraph (1) or identified pursuant to para-
14 graph (1)(E).

15 “(h) REVIEW AND CONTINUED PARTICIPATION.—
16 The Secretary shall annually review the activities of each
17 public housing agency participating in the program under
18 this section and, based on such review and the most recent
19 report of the agency submitted pursuant to subsection
20 (g)(1), make a determination of whether—

21 “(1) the agency is complying with the require-
22 ments of the program under this section; and

23 “(2) therefore, the agency is eligible to continue
24 such participation and the provisions of sections 102,

1 103, and 104 of the Section 8 Savings Act of 2011
2 shall continue to apply to the agency.”.

3 **TITLE II—OTHER SECTION 8**
4 **PROGRAM REFORMS**

5 **SEC. 201. ELIGIBILITY FOR ASSISTANCE BASED ON ASSETS**
6 **AND INCOME.**

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

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

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

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

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

1 except that the prohibition under this subpara-
2 graph shall not apply to—

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

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

8 “(iii) any family that is offering such
9 property for sale.

10 “(2) NET FAMILY ASSETS.—

11 “(A) IN GENERAL.—For purposes of this
12 subsection, the term ‘net family assets’ means,
13 for all members of the household, the net cash
14 value of all assets after deducting reasonable
15 costs that would be incurred in disposing of real
16 property, savings, stocks, bonds, and other
17 forms of capital investment. Such term does not
18 include interests in Indian trust land, equity in
19 property for which the family is receiving assist-
20 ance under subsection (y) or (o)(12) of section
21 8, equity accounts in homeownership programs
22 of the Department of Housing and Urban De-
23 velopment, or Family Self Sufficiency accounts.

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

1 “(i) the value of personal property, ex-
2 cept for items of personal property of sig-
3 nificant value, as the Secretary may estab-
4 lish or the public housing agency may de-
5 termine;

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

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

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

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

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

24 “(C) TRUST FUNDS.—In cases in which a
25 trust fund has been established and the trust is

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

10 “(3) SELF-CERTIFICATION.—

11 “(A) NET FAMILY ASSETS.—A public
12 housing agency or owner may determine the net
13 assets of a family, for purposes of this section,
14 based on a certification by the family that the
15 net assets of such family do not exceed
16 \$50,000.

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

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

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

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

1 native housing, and whether supportive services are
2 being provided.

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

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

12 (1) in section 3(a)(1) (42 U.S.C. 1437a(a)(1)),
13 by striking the first sentence and inserting the fol-
14 lowing: “Dwelling units assisted under this Act may
15 be rented, and assistance under this Act may be pro-
16 vided, whether initially or at time of recertification,
17 only to families who are low-income families at the
18 time such initial or continued assistance, respec-
19 tively, is provided, except that families residing in
20 dwelling units as of the date of the enactment of the
21 Section 8 Savings Act of 2011 that, under agree-
22 ments in effect on such date of enactment, may have
23 incomes up to 95 percent of local area median in-
24 come shall continue to be eligible for assistance at
25 recertification as long as they continue to comply

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

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

24 “(4) ELIGIBLE FAMILIES.—Assistance under
25 this subsection may be provided, whether initially or

1 at each recertification, only pursuant to subsection
2 (t) to a family eligible for assistance under such sub-
3 section or to a family who at the time of such initial
4 or continued assistance, respectively, is a low-income
5 family that is—”; and

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

10 **SEC. 202. TARGETING ASSISTANCE TO LOW-INCOME WORK-**
11 **ING FAMILIES.**

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

17 (b) **PUBLIC HOUSING.**—Section 16(a)(2)(A) of the
18 United States Housing Act of 1937 (42 U.S.C.
19 1437n(a)(2)(A)) is amended by striking “families whose
20 incomes” and all that follows through “low family in-
21 comes” and inserting “extremely low-income families”.

22 (c) **PROJECT-BASED SECTION 8 ASSISTANCE.**—Sec-
23 tion 16(c)(3) of the United States Housing Act of 1937
24 (42 U.S.C. 1437n(c)(3)) is amended by striking “families

1 whose incomes” and all that follows through “low family
2 incomes” and inserting: “extremely low-income families”.

3 (d) DEFINITION.—Section 3(b)(2) of the United
4 States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)) is
5 amended by inserting after the period at the end of the
6 second sentence the following new sentence: “The term
7 ‘extremely low-income families’ means very low-income
8 families whose incomes do not exceed the higher of (A)
9 the poverty guidelines updated periodically by the Depart-
10 ment of Health and Human Services under the authority
11 of section 673(2) of the Omnibus Budget Reconciliation
12 Act of 1981 (42 U.S.C. 9902(2)) applicable to a family
13 of the size involved, or (B) 30 percent of the median fam-
14 ily income for the area, as determined by the Secretary
15 with adjustments for smaller and larger families, except
16 that the Secretary may establish income ceilings higher
17 or lower than 30 percent of the median for the area on
18 the basis of the Secretary’s findings that such variations
19 are necessary because of unusually high or low family in-
20 comes, and except that clause (A) of this sentence shall
21 not apply in the case of public housing agencies located
22 in Puerto Rico or any other territory or possession of the
23 United States.”.

24 (e) EFFECTIVE DATE.—The Secretary of Housing
25 and Urban Development shall issue a notice to implement

1 the amendments made by this section and such amend-
2 ments shall take effect upon such issuance.

3 **SEC. 203. USE OF VOUCHER FUNDS.**

4 Subsection (dd) of section 8 of the United States
5 Housing Act of 1937 (42 U.S.C. 1437f(dd)) is amended—

6 (1) by striking “(dd) TENANT-BASED CON-
7 TRACT RENEWALS.—Subject” and inserting the fol-
8 lowing::

9 “(dd) TENANT-BASED CONTRACT RENEWALS.—

10 “(1) IN GENERAL.—Subject”; and

11 (2) by adding at the end the following new
12 paragraphs:

13 “(2) LEASING RATE.—For purposes of deter-
14 mining annual allocations of voucher funding for
15 agencies, for 2012 and thereafter, the leasing rate
16 calculated for an agency for the prior calendar year
17 shall include vouchers that exceed the agency’s au-
18 thorized voucher level only if they are funded
19 through the allocation for the agency for the prior
20 year, including adjustments for incremental and new
21 tenant protection and enhanced vouchers.

22 “(3) RESERVES.—For 2012 and each calendar
23 year thereafter, each public housing agency shall be
24 allowed to retain as reserves an amount that is not
25 less than 6 percent of the amount allocated to such

1 agency in such calendar year prior to proration. The
2 sources of such reserves may include all allocated
3 amounts from such year plus reserves carried over
4 from previous years. Reserves may be used for over-
5 leasing in any year, regardless of whether such use
6 is eligible for renewal funding in the subsequent cal-
7 endar year.”.

8 **SEC. 204. PHA PROJECT-BASED ASSISTANCE.**

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

12 (1) by striking subparagraph (F) and inserting
13 the following new subparagraph:

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

19 “(i) the availability of sufficient ap-
20 propriated funds for the purpose of renew-
21 ing expiring contracts for assistance pay-
22 ments, as provided in appropriation Acts
23 and in the agency’s annual contributions
24 contract with the Secretary, provided that
25 in the event of insufficient appropriated

1 funds, payments due under contracts
2 under this paragraph shall take priority if
3 other cost-saving measures that do not re-
4 quire the termination of an existing con-
5 tract are available to the agency; and

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

15 The contract may specify additional conditions,
16 including with respect to continuation, termi-
17 nation, or expiration.”; and

18 (2) in subparagraph (G), by striking “15 years”
19 and inserting “20 years”.

20 **SEC. 205. ESTABLISHMENT OF FAIR MARKET RENT.**

21 (a) IN GENERAL.—Paragraph (1) of section 8(c) of
22 the United States Housing Act of 1937 (42 U.S.C.
23 1437f(c)(1)) is amended—

24 (1) by inserting “(A)” after the paragraph des-
25 ignation;

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

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

4 “(B) Fair market rentals for an area shall be pub-
5 lished not less than annually by the Secretary on the site
6 of the Department on the World Wide Web and in any
7 other manner specified by the Secretary. Notice that such
8 fair market rentals are being published shall be published
9 in the Federal Register, and such fair market rentals shall
10 become effective no earlier than 30 days after the date
11 of such publication. The Secretary shall establish a proce-
12 dure for public housing agencies and other interested par-
13 ties to comment on such fair market rentals and to re-
14 quest, within a time specified by the Secretary, reevalua-
15 tion of the fair market rental in a jurisdiction. The Sec-
16 retary shall cause to be published for comment in the Fed-
17 eral Register notices of proposed material changes in the
18 methodology for estimating fair market rentals and no-
19 tices specifying the final decisions regarding such pro-
20 posed substantial methodological changes and responses to
21 public comments.”.

22 (b) PAYMENT STANDARD.—Subparagraph (B) of sec-
23 tion 8(o)(1) of the United States Housing Act of 1937
24 (42 U.S.C. 1437f(o)(1)(B)) is amended by inserting be-
25 fore the period at the end the following: “, except that

1 no public housing agency shall be required as a result of
2 a reduction in the fair market rental to reduce the pay-
3 ment standard applied to a family continuing to reside in
4 a unit for which the family was receiving assistance under
5 this section at the time the fair market rental was reduced.
6 The Secretary shall allow public housing agencies to re-
7 quest exception payment standards within fair market
8 rental areas subject to criteria and procedures established
9 by the Secretary”.

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

13 **SEC. 206. SCREENING OF APPLICANTS.**

14 (a) IN GENERAL.—Subparagraph (B) of section
15 8(o)(6) of the United States Housing Act of 1937
16 (1437f(o)(6)(B)) is amended—

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

19 “(B) SELECTION OF TENANTS.—

20 “(i) FUNCTION OF OWNER.—Each”;

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

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

25 “(ii) SCREENING.—In addition”;

1 (4) by inserting after “establish.” the following:
2 “A public housing agency’s elective screening shall
3 be limited to criteria that are directly related to an
4 applicant’s ability to fulfill the obligations of an as-
5 sisted lease and shall consider mitigating cir-
6 cumstances presented by such applicant. The re-
7 quirements of the preceding sentence shall not limit
8 the ability of a public housing agency to deny assist-
9 ance based on an applicant’s criminal background or
10 any other permissible grounds for denial under sub-
11 title F of title V of the Quality Housing and Work
12 Responsibility Act of 1998 (42 U.S.C. 13661 et seq.;
13 relating to safety and security in public and assisted
14 housing), subject to the procedural requirements of
15 this section. Any applicant or participant determined
16 to be ineligible for admission or continued participa-
17 tion to the program shall be notified of the basis for
18 such determination and provided, within a reason-
19 able time after the determination, an opportunity for
20 an informal hearing on such determination at which
21 mitigating circumstances presented by the applicant,
22 including remedial conduct subsequent to the con-
23 duct that is the basis of such determination, shall be
24 considered.”; and

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

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

16 (b) LEASES AND TENANCY.—Subparagraph (E) of
17 section 8(o)(7) of the United States Housing Act of 1937
18 (42 U.S.C. 1437f(o)(7)(E)) is amended by inserting “ter-
19 mination or” after “any” the last place such term appears.

20 (c) REMOVAL OF SEX OFFENDERS.—Section 578 of
21 the Quality Housing and Work Responsibility Act of 1998
22 (42 U.S.C. 13663) is amended by striking subsection (a)
23 and inserting the following new subsection:

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

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

5 “(2) shall terminate assistance to, and any
6 lease or right to occupancy of such housing by, any
7 household that includes any individual who is subject
8 to a lifetime registration requirement under a State
9 sex offender registration program.”.

10 **SEC. 207. UTILITY DATA.**

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

15 “(22) UTILITY DATA.—

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

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

1 “(i) avoids unnecessary administrative
2 burdens for public housing agencies; and
3 “(ii) protects families in various unit
4 sizes and building types, and using various
5 utilities, from high rent and utility cost
6 burdens relative to income.”.

7 **SEC. 208. FAMILY SELF-SUFFICIENCY PROGRAM.**

8 (a) EXPANSION TO PRIVATELY OWNED PROPERTIES
9 WITH PROJECT-BASED ASSISTANCE.—Section 23 of the
10 United States Housing Act of 1937 (42 U.S.C. 1437u)
11 is amended—

12 (1) in subsection (a)—

13 (A) by striking “public housing and”; and

14 (B) by striking “the certificate and vouch-
15 er programs under section 8” and inserting
16 “sections 8 and 9 of this title”;

17 (2) in subsection (b)—

18 (A) in paragraph (1), by striking “sub-
19 section (b) or (o) of section 8 or makes avail-
20 able new public housing dwelling units” and in-
21 serting “section 8 or 9”; and

22 (B) by adding at the end the following new
23 paragraph:

1 “(6) PROGRAMS FOR TENANTS OF PRIVATELY
2 OWNED PROPERTIES WITH PROJECT-BASED ASSIST-
3 ANCE.—

4 “(A) VOLUNTARY PROVISION BY EXISTING
5 LOCAL PROGRAM .—The owner of a privately
6 owned property for which project-based assist-
7 ance is provided may voluntarily make a local
8 Family Self-Sufficiency program available to
9 tenants of the property by entering into a coop-
10 erative agreement with the public housing agen-
11 cy within whose jurisdiction the property is lo-
12 cated, subject to the following provisions:

13 “(i) EXISTING LOCAL PROGRAM.—A
14 local Family Self-Sufficiency program may
15 be made available to tenants of such a
16 property only if the public housing agency
17 is administering an existing Family Self-
18 Sufficiency program.

19 “(ii) ADMINISTRATIVE FEE.—The
20 public housing agency may count any fam-
21 ily participating in its Family Self-Suffi-
22 ciency program pursuant to this paragraph
23 as part of the calculation of the adminis-
24 trative fee under subsection (h).

1 “(iii) ESCROW ACCOUNTS.—The
2 owner of the property shall agree to cal-
3 culate, track, and upon request of the pub-
4 lic housing agency, make available escrow
5 for participating residents, in accordance
6 with subsection (d)(2), residing in units in
7 the property assisted under section 8.

8 “(B) EXCEPTION.—This paragraph shall
9 not apply to properties assisted under section
10 8(o)(13).”;

11 (3) in subsection (c)—

12 (A) in the first sentence of paragraph (1),
13 by striking “the certificate and voucher pro-
14 grams of the public housing agency under sec-
15 tion 8 or residing in public housing adminis-
16 tered by the agency” and inserting “section 8
17 or 9”; and

18 (B) in paragraph (2), in the matter pre-
19 ceding subparagraph (A), by striking “section 8
20 or residing in public housing” and inserting
21 “section 8 or 9”;

22 (4) in the first sentence of subsection (f)(2), by
23 inserting “, the owners or sponsors of multifamily
24 properties receiving project-based rental assistance
25 under section 8 that are served by the program (in

1 the case of a local program serving residents of mul-
2 tifamily properties receiving such assistance),” after
3 “Social Security Act”;

4 (5) in subsection (g)—

5 (A) in paragraph (2), by inserting “, the
6 owners or sponsors of multifamily properties re-
7 ceiving project-based rental assistance under
8 section 8 that are served by the program (in the
9 case of a local program serving residents of
10 multifamily properties receiving such assist-
11 ance),” after “Social Security Act”; and

12 (B) in paragraph (3)—

13 (i) in subparagraph (C), by striking
14 “the section 8 and public housing pro-
15 grams” and inserting “sections 8 and 9”;
16 and

17 (ii) in subparagraph (I), by striking
18 “public housing or section 8” and inserting
19 “section 8 or 9”; and

20 (6) in subsection (j)—

21 (A) in the first sentence, by striking “pub-
22 lic housing units in public housing projects ad-
23 ministered by the agency” and inserting
24 “units”; and

25 (B) in the last sentence—

1 (i) by striking “the facilities of a pub-
2 lic housing agency” and inserting “facili-
3 ties”; and

4 (ii) by striking “the agency under sec-
5 tion 9” and inserting “an agency”; and

6 (7) in subsection (n)(5), by striking “public
7 housing or housing assisted under section 8” and in-
8 serting “housing assisted under section 8 or 9”.

9 (b) FLEXIBILITY OF FUNDING FOR PHAS PARTICI-
10 PATING IN SELF-SUFFICIENCY AND RENTAL ASSISTANCE
11 COUNSELING SUPPORT PROGRAM.—Subsection (h) of sec-
12 tion 23 of the United States Housing Act of 1937 is
13 amended by adding at the end the following new para-
14 graph:

15 “(3) FLEXIBILITY OF FUNDING FOR PHAS PAR-
16 TICIPATING IN SELF-SUFFICIENCY AND RENTAL AS-
17 SISTANCE COUNSELING SUPPORT PROGRAM.—Not-
18 withstanding any other provision of this section, any
19 public housing agency that is participating in and
20 carrying out, as determined by the Secretary of
21 Housing and Urban Development, a Self-Sufficiency
22 and Rental Assistance Counseling Support Program
23 under section 37 may use any amounts made avail-
24 able under this subsection or subsection (i) for car-
25 rying out such Self-Sufficiency and Rental Assist-

1 ance Counseling Support Program of the agency or
2 as provided under this section.”.

3 (c) FLEXIBILITY OF OPERATIONS.—Subsection (k) of
4 section 23 of the United States Housing Act of 1937 is
5 amended by adding at the end the following new sentence:
6 “The Secretary shall provide that in designing or carrying
7 out a local self-sufficiency program, an eligible entity may
8 contract or partner with, hire, and otherwise consult or
9 coordinate with other service providers, organizations, and
10 entities to increase the effectiveness of the program and
11 better leverage available resources.”

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

17 (e) EFFECTIVE DATE.—The Secretary of Housing
18 and Urban Development shall issue notice to implement
19 the amendments made by this section and such amend-
20 ments shall apply to fiscal year 2012 and fiscal years
21 thereafter.

1 **SEC. 209. STUDY REGARDING OCCUPANCY OF ASSISTED**
2 **HOUSING BY BOTH ELDERLY PERSONS AND**
3 **PERSONS WITH DISABILITIES.**

4 (a) IN GENERAL.—The Secretary of Housing and
5 Urban Development shall conduct a study on the impact
6 that providing public and assisted housing projects des-
7 ignated for occupancy both by elderly persons and persons
8 with disabilities (as such terms are defined under section
9 3(b) of the United States Housing Act of 1937 (42 U.S.C.
10 1437a(b))), including specifically persons with disabilities
11 who are recovering from drug or alcohol abuse, has on
12 the effectiveness of providing an appropriate living envi-
13 ronment for such elderly persons.

14 (b) REPORT.—Not later than the expiration of the
15 12-month period beginning on the date of the enactment
16 of this Act, the Secretary shall submit a report to the Con-
17 gress setting forth the findings and conclusions of the
18 study conducted pursuant to subsection (a).

19 **SEC. 210. HOUSING ASSISTANCE CRITERIA SIMPLIFICA-**
20 **TION.**

21 The polices and standards issued by the Secretary of
22 Housing and Urban Development, in effect with respect
23 to public housing projects on the date of the enactment
24 of this Act, relating to the flexibility of the criteria that
25 may be used to establish local preferences, the use of wait-
26 ing list management tools, and the inclusion of certain ac-

1 tivities in house rules and lease provisions shall also apply
2 to the programs for rental assistance under section 8 of
3 the United States Housing Act of 1937 (42 U.S.C. 1437f).

4 **TITLE III—ACCESS TO HUD PRO-**
5 **GRAMS AND MARK-TO-MAR-**
6 **KET PROGRAM EXTENSION**

7 **SEC. 301. ACCESS TO HUD PROGRAMS FOR PERSONS WITH**
8 **LIMITED ENGLISH PROFICIENCY.**

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

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

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

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

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

1 (4) HOUSING INFORMATION RESOURCE CEN-
2 TER.—Develop and maintain a housing information
3 resource center to facilitate the provision of lan-
4 guage services by recipients of funds of the Depart-
5 ment to individuals with limited English proficiency.
6 Information provided by such center shall be made
7 available in printed form and through the Internet.
8 The resources provided by the center shall include
9 the following:

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

15 (B) INTERPRETATION SERVICES TELE-
16 PHONE LINE.—

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

1 telephone line shall supplement resources
2 in the community identified by the plan
3 pursuant to paragraph (3).

4 (ii) FEE.—The Secretary may estab-
5 lish and collect a reasonable fee, to the ex-
6 tent provided in advance in an appropria-
7 tions Act, to cover the actual cost of the
8 service provided pursuant to clause (i),
9 which shall be payable by the recipient of
10 the Department’s funds using the service.
11 Such fees and other expenses incurred to
12 provide language services to persons with
13 limited English proficiency paid by recipi-
14 ents of the Department’s funds shall be
15 permitted to be payable from funds avail-
16 able for implementing affirmative mar-
17 keting strategies and from funds available
18 for administration of rental assistance, in-
19 cluding funds under section 9(e) of the
20 United States Housing Act of 1937 (42
21 U.S.C. 1437g(e)). Recipients of the De-
22 partment’s funds may not seek reimburse-
23 ment for such fees and other expenses
24 from families being assisted by or appli-

1 cants for federal financial assistance from
2 the Department's funds.

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

11 (i) administrative and property docu-
12 ments;

13 (ii) legally binding documents;

14 (iii) consumer education and outreach
15 materials;

16 (iv) documents regarding rights and
17 responsibilities of any party; and

18 (v) remedies available to consumers.

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

1 **SEC. 302. EXTENSION OF MARK-TO-MARKET PROGRAM.**

2 Section 579 of the Multifamily Assisted Housing Re-
3 form and Affordability Act of 1997 (42 U.S.C. 1437 note)
4 is amended by striking “October 1, 2011” each place such
5 term appears and inserting “October 1, 2015”.