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(Original Signature of Member)

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

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

\_\_\_\_\_  
**A BILL**

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

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

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

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Section 8 Voucher Reform Act of 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.
- Sec. 2. Inspection of dwelling units.
- Sec. 3. Rent reform and income reviews.
- Sec. 4. Eligibility for assistance based on assets and income.

- Sec. 5. Targeting assistance to low-income working families.
- Sec. 6. Voucher renewal funding.
- Sec. 7. Administrative fees.
- Sec. 8. Homeownership.
- Sec. 9. PHA reporting of rent payments to credit reporting agencies.
- Sec. 10. Performance assessments.
- Sec. 11. PHA project-based assistance.
- Sec. 12. Rent burdens.
- Sec. 13. Establishment of fair market rent.
- Sec. 14. Screening of applicants.
- Sec. 15. Enhanced vouchers.
- Sec. 16. Demonstration program waiver authority.
- Sec. 17. Authorization of appropriations.
- Sec. 18. Agency authority for utility payments in certain circumstances.
- Sec. 19. Utility data.
- Sec. 20. Project-based preservation vouchers.
- Sec. 21. Effect of foreclosure on section 8 tenancies.
- Sec. 22. Study to identify obstacles to using vouchers in federally subsidized housing projects.
- Sec. 23. Interagency Council on Homelessness.
- Sec. 24. Study of effects of section 8 program on HUD budget and programs.
- Sec. 25. Housing innovation program.
- Sec. 26. Study of use of income databases to reduce subsidy errors.
- Sec. 27. Effective date.

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

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

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

6 “(A) INITIAL INSPECTION.—

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

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, suspend 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, and may not resume such  
24 payments until each such deficiency has  
25 been corrected.

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

16           (2) by redesignating subparagraph (E) as sub-  
17          paragraph (H); and

18           (3) by striking subparagraph (D) and inserting  
19          the following new subparagraphs:

20           “(D) BIENNIAL INSPECTIONS.—

21           “(i) REQUIREMENT.—Each public  
22          housing agency providing assistance under  
23          this subsection (or other entity, as pro-  
24          vided in paragraph (11)) shall, for each as-  
25          sisted dwelling unit, make inspections not

1 less often than biennially during the term  
2 of the housing assistance payments con-  
3 tract for the unit to determine whether the  
4 unit is maintained in accordance with the  
5 requirements under subparagraph (A).

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

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

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

24 “(i) the inspection was conducted pur-  
25 suant to requirements under a Federal,

1 State, or local housing assistance program  
2 (including the HOME investment partner-  
3 ships program under title II of the Cran-  
4 ston-Gonzalez National Affordable Housing  
5 Act (42 U.S.C. 12721 et seq.) and the low-  
6 income housing tax credit program under  
7 section 42 of the Internal Revenue Code of  
8 1986); and

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

22 “(F) INTERIM INSPECTIONS.—Upon notifi-  
23 cation to the public housing agency, by a family  
24 on whose behalf tenant-based rental assistance  
25 is provided under this subsection or by a gov-

1           ernment official, that the dwelling unit for  
2           which such assistance is provided does not com-  
3           ply with the housing quality standards under  
4           subparagraph (B), the agency shall inspect the  
5           dwelling unit—

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

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

12                  “(G) ENFORCEMENT OF HOUSING QUALITY  
13                  STANDARDS.—

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

22                           “(I) the public housing agency or  
23                           an inspector authorized by the State  
24                           or unit of local government deter-  
25                           mines upon inspection of the unit that

1 the unit fails to comply with such  
2 standards;

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

6 “(III) the failure to comply is not  
7 corrected—

8 “(aa) in the case of any  
9 such failure that is a result of  
10 life-threatening conditions, within  
11 24 hours after such notice has  
12 been provided; and

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

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

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

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

1                   ance payments contract to the owner of the  
2                   dwelling unit.

3                   “(iv) USE OF ABATED ASSISTANCE TO  
4                   PAY FOR REPAIRS.—

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

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

22                  “(III) LIMITATION OF LIABILITY  
23                  OF PUBLIC HOUSING AGENCIES.—A  
24                  public housing agency that uses its  
25                  authority under this clause shall not,

1 if the agency accomplishes the work  
2 through a contractor that is licensed,  
3 bonded, and insured in amounts and  
4 with coverage as required by the Sec-  
5 retary, be liable for any injury or  
6 damages that may result to persons or  
7 to any property owned by the tenant  
8 or owner.

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

15 “(I) notify the tenant and the  
16 owner of the dwelling unit that—

17 “(aa) such abatement has  
18 commenced; and

19 “(bb) if the dwelling unit is  
20 not brought into compliance with  
21 housing quality standards within  
22 60 days after the effective date of  
23 the determination of noncompli-  
24 ance under clause (i) or such rea-  
25 sonable longer period as the

1 agency may establish, the tenant  
2 will have to move; and

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

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

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

1 agency does not use its authority under  
2 clause (iv), the agency shall terminate the  
3 housing assistance payments contract for  
4 the dwelling unit.

5 “(viii) RELOCATION.—

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

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

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

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

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

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

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

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

19 (1) in subsection (a)—

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

23 (B) in paragraph (1)—

24 (i) by striking “paragraph (2)” and  
25 inserting “paragraphs (2) and (3)”; and

1 (ii) by striking “paragraph (3)” and  
2 inserting “paragraph (4)”;

3 (C) in paragraph (2)(A)(i), by striking  
4 “paragraph (3)” and inserting “paragraph  
5 (4)”;

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

9 (E) by inserting after paragraph (2) the  
10 following new paragraph:

11 “(3) PHA AUTHORITY TO ESTABLISH ALTER-  
12 NATIVE RENTS.—

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

17 “(i) a tenant rent structure in  
18 which—

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

1                   “(II) such ceiling rent is adjusted  
2                   periodically on the basis of an infla-  
3                   tion index or a recalculation of the  
4                   rental value of the unit (which may be  
5                   recalculated by unit or by building);  
6                   “(ii) an income-tiered tenant rent  
7                   structure in which the amount of rent a  
8                   family shall pay is set and distributed on  
9                   the basis of broad tiers of income and such  
10                  tiers and rents are adjusted on the basis of  
11                  an annual cost index except that families  
12                  shall not be offered a rent lower than the  
13                  rent corresponding to their income tier; or  
14                  “(iii) a tenant rent structure in which  
15                  the amount of rent a family shall pay is  
16                  based on a percentage of family income,  
17                  except that lower percentages may apply  
18                  only with respect to earned income; such a  
19                  rent structure may provide for an amount  
20                  of rent based on a calculation of earned in-  
21                  come that provides for disregard of a high-  
22                  er percentage or higher dollar amount, or  
23                  both, than provided for in paragraph  
24                  (8)(B).

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

12           “(C) ELDERLY FAMILIES AND DISABLED  
13 FAMILIES.—Notwithstanding any other provi-  
14 sion of this Act, this paragraph shall not apply  
15 to elderly families and disabled families.”; and

16           (F) by adding at the end the following new  
17 paragraphs:

18           “(7) REVIEWS OF FAMILY INCOME.—

19           “(A) FREQUENCY.—Reviews of family in-  
20 come for purposes of this section shall be  
21 made—

22           “(i) in the case of all families, upon  
23 the initial provision of housing assistance  
24 for the family;

1           “(ii) annually thereafter, except as  
2 provided in subparagraph (B)(i);

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

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

25           “(B) FIXED-INCOME FAMILIES.—

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

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

1 or more consists of fixed income, as such  
2 term is defined in clause (iii).

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

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

15 “(II) Social Security payments;

16 “(III) Federal, State, local and  
17 private pension plans; and

18 “(IV) other periodic payments re-  
19 ceived from annuities, insurance poli-  
20 cies, retirement funds, disability or  
21 death benefits, and other similar types  
22 of periodic receipts that are of sub-  
23 stantially the same amounts from year  
24 to year.

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

6           “(8) CALCULATION OF INCOME.—

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

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

1                   “(C) INFLATIONARY ADJUSTMENT FOR  
2                   FIXED INCOME FAMILIES.—

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

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

20                  “(iii) APPLICABILITY OF INFLA-  
21                  TIONARY FACTOR.—The inflationary factor  
22                  adjustment referred to in clause (i) shall  
23                  not be made with respect to the first year  
24                  after the year in which housing is occupied

1           or housing assistance is initially provided  
2           for a family.

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

10          “(E) SAFE HARBOR.—A public housing  
11          agency or owner may, to the extent such infor-  
12          mation is available to the public housing agency  
13          or owner, determine the family’s income prior  
14          to the application of any deductions based on  
15          timely income determinations made for pur-  
16          poses of other means-tested Federal public as-  
17          sistance programs (including the program for  
18          block grants to States for temporary assistance  
19          for needy families under part A of title IV of  
20          the Social Security Act, a program for Medicaid  
21          assistance under a State plan approved under  
22          title XIX of the Social Security Act, and the  
23          food stamp program as defined in section 3(h)  
24          of the Food Stamp Act of 1977). The Secretary  
25          shall, in consultation with other appropriate

1 Federal agencies, develop procedures to enable  
2 public housing agencies and owners to have ac-  
3 cess to such income determinations made by  
4 other means-tested Federal programs that the  
5 Secretary determines to have comparable reli-  
6 ability. Exchanges of such information shall be  
7 subject to the same limitations and tenant pro-  
8 tections provided under section 904 of the  
9 Stewart B. McKinney Homeless Assistance Act  
10 Amendments of 1988 (42 U.S.C. 3544) with re-  
11 spect to information obtained under the require-  
12 ments of section 303(i) of the Social Security  
13 Act (42 U.S.C. 503(i)).

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

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

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

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

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

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

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

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

19           “(i) any imputed return on assets;

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

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

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

3           “(C) EARNED INCOME OF STUDENTS.—  
4           Such term does not include earned income of  
5           any dependent earned during any period that  
6           such dependent is attending school or vocational  
7           training on a full-time basis or any grant-in-aid  
8           or scholarship amounts related to such attend-  
9           ance used for the cost of tuition or books.

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

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

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

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

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

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

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

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

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

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

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

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

13 \$500 for each such member.

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

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

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

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

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

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

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

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

6 (2) in subparagraph (A)—

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

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

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

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

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

25 (f) IMPACT ON PUBLIC HOUSING REVENUES.—

1           (1) ADJUSTMENTS TO OPERATING FORMULA.—

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

11          (2) HUD REPORTS ON REVENUE AND COST IM-

12          PACT.—In each of the first two years after the first  
13          year in which the amendments made by this section  
14          are implemented, the Secretary of Housing and  
15          Urban Development shall submit a report to Con-  
16          gress identifying and calculating the impact of  
17          changes made by the amendments made by this sec-  
18          tion and sections 4 and 5 of this Act on the revenues  
19          and costs of operating public housing units, the  
20          voucher program for rental assistance under section  
21          8 of the United States Housing Act of 1937, and  
22          the program under such section 8 for project-based  
23          rental assistance. If such report identifies a material  
24          reduction in the net income of public housing agen-  
25          cies nationwide or a material increase in the costs of

1 funding the voucher program or the project-based  
2 assistance program, the Secretary shall include in  
3 such report recommendations for legislative changes  
4 to reduce or eliminate such a reduction.

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

13 **SEC. 4. ELIGIBILITY FOR ASSISTANCE BASED ON ASSETS**  
14 **AND INCOME.**

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

18 “(e) **ELIGIBILITY FOR ASSISTANCE BASED ON AS-**  
19 **SETS.**—

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

1           “(A) whose net family assets exceed  
2           \$100,000, as such amount is adjusted annually  
3           by applying an inflationary factor as the Sec-  
4           retary considers appropriate; or

5           “(B) who has a present ownership interest  
6           in, a legal right to reside in, and the effective  
7           legal authority to sell, real property that is suit-  
8           able for occupancy as a residence, except that  
9           the prohibition under this subparagraph shall  
10          not apply to—

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

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

15                  “(iii) any family that is offering such  
16                  property for sale.

17          “(2) NET FAMILY ASSETS.—

18                  “(A) IN GENERAL.—For purposes of this  
19                  subsection, the term ‘net family assets’ means,  
20                  for all members of the household, the net cash  
21                  value of all assets after deducting reasonable  
22                  costs that would be incurred in disposing of real  
23                  property, savings, stocks, bonds, and other  
24                  forms of capital investment. Such term does not  
25                  include interests in Indian trust land, equity ac-

1 counts in homeownership programs of the De-  
2 partment of Housing and Urban Development,  
3 or Family Self Sufficiency accounts.

4 “(B) EXCLUSIONS.—Such term does not  
5 include—

6 “(i) the value of personal property, ex-  
7 cept for items of personal property of sig-  
8 nificant value, as the Secretary may estab-  
9 lish or the public housing agency may de-  
10 termine;

11 “(ii) the value of any retirement ac-  
12 count;

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

16 “(iv) any amounts recovered in any  
17 civil action or settlement based on a claim  
18 of malpractice, negligence, or other breach  
19 of duty owed to a member of the family  
20 and arising out of law, that resulted in a  
21 member of the family being disabled;

22 “(v) the value of any Coverdell edu-  
23 cation savings account under section 530  
24 of the Internal Revenue Code of 1986 or

1 any qualified tuition program under sec-  
2 tion 529 of such Code; and

3 “(vi) such other exclusions as the Sec-  
4 retary may establish.

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

16 “(3) SELF-CERTIFICATION.—

17 “(A) NET FAMILY ASSETS.—A public  
18 housing agency or owner may determine the net  
19 assets of a family, for purposes of this section,  
20 based on a certification by the family that the  
21 net assets of such family do not exceed  
22 \$50,000.

23 “(B) NO CURRENT REAL PROPERTY OWN-  
24 ERSHIP.—A public housing agency or owner  
25 may determine compliance with paragraph

1           (1)(B) based on a certification by the family  
2           that such family does not have any current  
3           ownership interest in any real property at the  
4           time the agency or owner reviews the family's  
5           income.

6           “(C) STANDARDIZED FORMS.—The Sec-  
7           retary may develop standardized forms for the  
8           certifications referred to in subparagraphs (A)  
9           and (B).

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

18          “(5) ELDERLY AND DISABLED FAMILIES.—  
19          When recertifying the income of an elderly or dis-  
20          abled family residing in a dwelling unit assisted  
21          under this Act, a public housing agency or owner  
22          may choose not to enforce the limitation under para-  
23          graph (1) or may establish exceptions to such limita-  
24          tion based on eligibility criteria, but only pursuant  
25          to a policy that is set forth in the public housing

1 agency plan under section 5A for the agency or  
2 under a policy adopted by the owner. Eligibility cri-  
3 teria for establishing exceptions may provide for sep-  
4 arate treatment for elderly and disabled families and  
5 may be based on different factors, such as age, in-  
6 come, the ability of the family to find suitable alter-  
7 native housing, and whether supportive services are  
8 being provided.

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

16 (b) INCOME.—The United States Housing Act of  
17 1937 is amended—

18 (1) in section 3(a)(1) (42 U.S.C. 1437a(a)(1)),  
19 by striking the first sentence and inserting the fol-  
20 lowing: “Dwelling units assisted under this Act may  
21 be rented, and assistance under this Act may be pro-  
22 vided, whether initially or at time of recertification,  
23 only to families who are low-income families at the  
24 time such initial or continued assistance, respec-  
25 tively, is provided, except that families residing in

1 dwelling units as of the date of the enactment of the  
2 Section 8 Voucher Reform Act of 2011 that, under  
3 agreements in effect on such date of enactment, may  
4 have incomes up to 95 percent of local area median  
5 income shall continue to be eligible for assistance at  
6 recertification as long as they continue to comply  
7 with such income restrictions. When recertifying  
8 family income with respect to families residing in  
9 public housing dwelling units, a public housing agen-  
10 cy may, in the discretion of the agency and only pur-  
11 suant to a policy that is set forth in the public hous-  
12 ing agency plan under section 5A for the agency,  
13 choose not to enforce the prohibition under the pre-  
14 ceding sentence. When recertifying family income  
15 with respect to families residing in dwelling units for  
16 which project-based assistance is provided, a project  
17 owner may, in the owner's discretion and only pur-  
18 suant to a policy adopted by such owner, choose not  
19 to enforce such prohibition. In the case of a family  
20 residing in a dwelling unit assisted under this Act  
21 who does not meet the requirements under the first  
22 sentence of this paragraph or the requirements  
23 under section 8(o)(4), the public housing agency or  
24 project owner may delay eviction or termination of

1 the family based on such noncompliance for a period  
2 of not more than 6 months.”;

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

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

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

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

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

22 (1) by inserting after “do not exceed” the fol-  
23 lowing: “the higher of (A) the poverty line (as such  
24 term is defined in section 673 of the Omnibus Budg-  
25 et Reconciliation Act of 1981 (42 U.S.C. 9902), in-

1 including any revision required by such section) appli-  
2 cable to a family of the size involved, or (B)”; and

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

8 (b) PUBLIC HOUSING.—Section 16(a)(2)(A) of the  
9 United States Housing Act of 1937 (42 U.S.C.  
10 1437n(a)(2)(A)) is amended—

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

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

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—

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

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

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

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

17          “(dd) TENANT-BASED VOUCHERS.—

18                 “(1) AUTHORIZATION OF APPROPRIATIONS.—

19                 There are authorized to be appropriated, for each of  
20                 fiscal years 2012 through 2016, such sums as may  
21                 be necessary for tenant-based assistance under sub-  
22                 section (o) for the following purposes:

23                         “(A) To renew all expiring annual con-  
24                         tributions contracts for tenant-based rental as-  
25                         sistance.

1           “(B) To provide tenant-based rental assist-  
2           ance for—

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

5                   “(ii) the family unification program  
6                   under subsection (x) of this section;

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

12                  “(iv) enhanced vouchers authorized  
13                  under subsection (t) of this section;

14                  “(v) relocation or replacement in con-  
15                  nection with the HOPE VI program under  
16                  section 24;

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

21                  “(vii) mandatory conversions of public  
22                  housing to vouchers, pursuant to section  
23                  33 of the United States Housing Act of  
24                  1937, respectively (42 U.S.C. 1437z-5);

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

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

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

12          “(xi) 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          “(xii) vouchers used for the preserva-  
20          tion of public housing units not included in  
21          the operating formula under section  
22          9(e)(2) of the United States Housing Act  
23          of 1937 (42 U.S.C. 1437g(e)(2));

24          “(xiii) emergency voucher assistance  
25          for the protection of victims of domestic vi-

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

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

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

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

18                 “(2) ALLOCATION OF RENEWAL FUNDING  
19                 AMONG PUBLIC HOUSING AGENCIES.—

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

24                 “(i) based on leasing and cost data  
25                 from the preceding calendar year, as ad-

1           justed by an annual adjustment factor to  
2           be established by the Secretary, which shall  
3           be established using the smallest geo-  
4           graphical areas for which data on changes  
5           in rental costs are annually available;

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

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

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

23          “(B) LEASING AND COST DATA.—For pur-  
24          poses of subparagraph (A)(i), leasing and cost  
25          data shall be calculated annually by using the

1 average for the preceding calendar year. Such  
2 leasing and cost data shall be adjusted to in-  
3 clude vouchers that were set aside under a com-  
4 mitment to provide project-based assistance  
5 under subsection (o)(13) and to exclude  
6 amounts funded through advances under para-  
7 graph (3). Such leasing and cost data shall not  
8 include funds not appropriated for tenant-based  
9 assistance under section 8(o), unless the agen-  
10 cy's funding was prorated in the prior year and  
11 the agency used other funds to maintain vouch-  
12 ers in use.

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

1           “(D) MOVING TO WORK; HOUSING INNOVA-  
2           TION PROGRAM.—Notwithstanding subpara-  
3           graphs (A) and (B), each public housing agency  
4           participating in any year in the moving to work  
5           program or the housing innovation program  
6           under section 37 of this Act shall be funded  
7           pursuant to its agreement under such program  
8           and shall be subject to any pro rata adjustment  
9           made under subparagraph (F)(i).

10           “(E) UNREIMBURSED PORTABILITY  
11           COSTS.—The Secretary may reimburse public  
12           housing agencies for increased costs related to  
13           portability incurred during the prior year that  
14           were not reimbursed pursuant to paragraph  
15           (4)(B)(i).

16           “(F) PRO RATA ALLOCATION.—

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

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

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

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

17 “(3) ADVANCES.—

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

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

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

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

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

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

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

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

6           “(4) OFFSET.—

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

22                   “(B) REALLOCATION.—Not later than the  
23          latter of April 1 of each calendar year or 75  
24          days after the enactment of an appropriations  
25          Act providing funding for voucher renewal

1 costs, the Secretary shall, from amounts avail-  
2 able pursuant to paragraph (2)(E) and from  
3 any other available amounts appropriated for  
4 such purpose—

5 “(i) set aside and subsequently make  
6 available such amounts as the Secretary  
7 considers likely to be needed, when com-  
8 bined with funds from a central fund or  
9 any other source of funds appropriated or  
10 made available for such purpose, to reim-  
11 burse public housing agencies for increased  
12 costs related to portability and family self-  
13 sufficiency activities pursuant to section  
14 23(h) during such year; and

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

23 (b) PORTABILITY.—The Secretary of Housing and  
24 Urban Development shall, not later than the expiration  
25 of the 6-month period beginning on the date of the enact-

1 ment of this Act, issue a proposed rule for comment to  
2 modify the regulations governing the responsibilities of  
3 public housing agencies in cases in which families assisted  
4 with tenant-based assistance under section 8 of the United  
5 States Housing Act of 1937 exercise their right to move  
6 to a different jurisdiction under the Secretary's regula-  
7 tions regarding portability procedures (24 C.F.R.  
8 982.355), to eliminate, or minimize to the greatest extent  
9 feasible consistent with available funding, billing between  
10 agencies and administrative barriers to families' choices  
11 of where to reside, without undermining the ability of pub-  
12 lic housing agencies to serve their waiting lists. The Sec-  
13 retary shall finalize regulations modifying such portability  
14 procedures in accordance with this subsection not later  
15 than the expiration of the 12-month period beginning  
16 upon the date of the enactment of this Act.

17 (c) VOUCHERS FOR PERSONS WITH DISABILITIES  
18 AND HOMELESS VETERANS.—The Secretary of Housing  
19 and Urban Development shall develop and issue, to public  
20 housing agencies that have received voucher assistance  
21 under section 8(o) for non-elderly disabled families, or  
22 under section 8(o)(19) for homeless veterans, pursuant to  
23 appropriations Acts for fiscal year 1997 and fiscal years  
24 thereafter, guidance to ensure that, to the maximum ex-  
25 tent practicable, such vouchers continue to be provided

1 upon turnover to qualified non-elderly disabled families or  
2 homeless veterans, respectively.

3 **SEC. 7. ADMINISTRATIVE FEES.**

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

6 (1) in paragraph (1)—

7 (A) by striking subparagraphs (B) and (C)  
8 and inserting the following new subparagraphs:

9 “(B) CALCULATION.—The fee under this  
10 subsection shall—

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

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

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

3 “(iv) be updated each year using an  
4 index of changes in wage and benefit data  
5 or other objectively measurable data that  
6 reflect the costs of administering the pro-  
7 gram for such assistance, as determined by  
8 the Secretary; and

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

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

15 (B) by striking subparagraph (E) and in-  
16 serting the following new subparagraph;

17 “(E) FEE FOR AGENCY-OWNED UNITS.—  
18 The Secretary shall establish a fee for dwelling  
19 units owned by a public housing agency that re-  
20 flects reasonable costs of administration, which  
21 shall take into consideration the third-party in-  
22 spection and rent determination expenses in-  
23 curred in compliance with the requirements of  
24 subsection (o)(11).”; and

1           (2) in paragraph (4), by striking “1999” and  
2           inserting “2011”.

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

8           “(1) SECTION 8 FEES.—

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

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

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

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

9           “(iii) PREVIOUSLY FUNDED AGEN-  
10          CIES.—An agency that received funding  
11          from the Department of Housing and  
12          Urban Development for more than three  
13          such coordinators in any of fiscal years  
14          1998 through 2010 shall receive funding  
15          for the highest number of coordinators  
16          funded in a single fiscal year during that  
17          period, provided they meet applicable size  
18          and performance standards.

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

1 coordinator, based on the size specified in  
2 its action plan for such program.

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

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

22 “(C) PRORATION.—If insufficient funds  
23 are available in any fiscal year to fund all of the  
24 coordinators authorized under this section, the  
25 first priority shall be given to funding one coor-

1           dinator at each agency with an existing family  
2           self-sufficiency program. The remaining funds  
3           shall be prorated based on the number of re-  
4           maining coordinators to which each agency is  
5           entitled under this subparagraph.

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

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

23          “(F) DATA COLLECTION.—Public housing  
24          agencies receiving funding under this paragraph  
25          shall collect and report to the Secretary, in such

1 manner as the Secretary shall require, informa-  
2 tion on the performance of their family self-suf-  
3 ficiency programs.

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

21 “(H) INCENTIVES FOR INNOVATION AND  
22 HIGH PERFORMANCE.—The Secretary may re-  
23 serve up to 10 percent of the amounts made  
24 available for administrative fees under this  
25 paragraph to provide support to or reward fam-

1           ily self-sufficiency programs that are particu-  
2           larly innovative or highly successful in achieving  
3           the goals of the program.”.

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

9   **SEC. 8. HOMEOWNERSHIP.**

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

15                   “(A) IN GENERAL.—Subject to the provi-  
16                   sions of this paragraph, in the case of a family  
17                   on whose behalf rental assistance under section  
18                   8(o) has been provided for a period of not less  
19                   than 12 months prior to the date of receipt of  
20                   downpayment assistance under this paragraph,  
21                   a public housing agency may, in lieu of pro-  
22                   viding monthly assistance payments under this  
23                   subsection on behalf of a family eligible for  
24                   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 **SEC. 9. PHA REPORTING OF RENT PAYMENTS TO CREDIT**  
16 **REPORTING AGENCIES.**

17 Section 3 of the United States Housing Act of 1937  
18 (42 U.S.C. 1437a), as amended by the preceding provi-  
19 sions of this Act, is further amended by adding at the end  
20 the following new subsection:

21 “(e) PHA REPORTING OF RENT PAYMENTS TO  
22 CREDIT REPORTING AGENCIES.—

23 “(1) AUTHORITY.—To the extent that an indi-  
24 vidual receiving tenant-based housing choice vouch-  
25 ers under section 8 by a public housing agency

1 agrees in writing to reporting under this subsection,  
2 the public housing agency may submit to consumer  
3 reporting agencies described in section 603(p) of the  
4 Fair Credit Reporting Act (15 U.S.C. 1681a) infor-  
5 mation regarding the past rent payment history of  
6 the individual with respect to the dwelling unit for  
7 which such assistance is provided.

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

17 **SEC. 10. PERFORMANCE ASSESSMENTS.**

18 Section 8(o) of the United States Housing Act of  
19 1937 (42 U.S.C. 1437f(o)) is amended by adding at the  
20 end the following new paragraph:

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

22 “(A) **ESTABLISHMENT.**—The Secretary  
23 shall, by regulation, establish standards and  
24 procedures for assessing the performance of  
25 public housing agencies in carrying out the pro-

1           grams for tenant-based rental assistance under  
2           this subsection and for homeownership assist-  
3           ance under subsection (y).

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

8                   “(i) Extent to which dwelling units  
9                   comply with housing quality standards, in-  
10                  cluding compliance with inspection require-  
11                  ments.

12                  “(ii) Extent of utilization of assist-  
13                  ance amounts provided to the agency and  
14                  of authorized vouchers, using appropriate  
15                  adjustments for vouchers set aside to meet  
16                  commitments under paragraph (13).

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

19                  “(iv) Effectiveness in carrying out  
20                  policies that result in deconcentration of  
21                  poverty and reduction of racial segregation.

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

1           “(vi) Accurate calculations of rent,  
2           utility allowances, and subsidy payments.

3           “(vii) Effectiveness in carrying out  
4           family self-sufficiency activities.

5           “(viii) Timeliness of actions related to  
6           landlord participation.

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

9           “(x) Such other areas as the Sec-  
10          retary considers appropriate, which may  
11          only be established by regulation.

12          “(C) BIENNIAL ASSESSMENT.—Not later  
13          than 2 years after the date of enactment of this  
14          paragraph, and at least every 2 years there-  
15          after, the Secretary, using the standards and  
16          procedures established under this paragraph,  
17          shall—

18                 “(i) conduct an assessment of the per-  
19                 formance of each public housing agency  
20                 carrying out a program referred to in sub-  
21                 paragraph (A);

22                 “(ii) make such assessment available  
23                 to the public housing agency and to the  
24                 public via the website of the Department of  
25                 Housing and Urban Development; and

1                   “(iii) submit a report to Congress re-  
2                   garding the results of each such assess-  
3                   ment.

4                   “(D)     APPLICABILITY.—When     imple-  
5                   mented, the performance assessment standards  
6                   and procedures under this paragraph shall  
7                   supercede the Section 8 Management Assess-  
8                   ment Program of the Secretary then in effect.”.

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

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

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

14                   “(B) PERCENTAGE LIMITATION.—

15                           “(i) IN GENERAL.—Subject to clause  
16                           (ii), not more than 25 percent of the fund-  
17                           ing available for tenant-based assistance  
18                           under this section that is administered by  
19                           the agency may be attached to structures  
20                           pursuant to this paragraph.

21                           “(ii) EXCEPTION.—An agency may at-  
22                           tach up to an additional 5 percent of the  
23                           funding available for tenant-based assist-  
24                           ance under this section to structures pur-  
25                           suant to this paragraph for dwelling units

1           that house individuals and families that  
2           meet the definition of homeless under sec-  
3           tion 103 of the McKinney-Vento Homeless  
4           Assistance Act (42 U.S.C. 11302), that  
5           provide supportive housing to persons with  
6           disabilities, or that are located in areas  
7           where vouchers under this subsection are  
8           difficult to use, as specified in subpara-  
9           graph (D)(ii)(II). The Secretary may, by  
10          regulation, establish additional categories  
11          for the exception under this clause.”;

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

14           “(D) INCOME MIXING REQUIREMENT.—

15           “(i) IN GENERAL.—Except as pro-  
16           vided in clause (ii), not more than the  
17           greater of 25 dwelling units or 25 percent  
18           of the dwelling units in any project may be  
19           assisted under a housing assistance pay-  
20           ment contract for project-based assistance  
21           pursuant to this paragraph. For purposes  
22           of this subparagraph, the term ‘project’  
23           means a single building, multiple contig-  
24           uous buildings, or multiple buildings on  
25           contiguous parcels of land.

1 “(ii) EXCEPTIONS.—

2 “(I) CERTAIN HOUSING.—The  
3 limitation under clause (i) shall not  
4 apply in the case of assistance under  
5 a contract for housing consisting of  
6 single family properties, or for dwell-  
7 ing units that are exclusively made  
8 available for households comprised of  
9 elderly families, disabled families, and  
10 families receiving supportive services  
11 for special needs populations, such as  
12 individuals who were formerly home-  
13 less. For purposes of the preceding  
14 sentence, the term ‘single family prop-  
15 erties’ means buildings with no more  
16 than four dwelling units.

17 “(II) CERTAIN AREAS.—

18 “(aa) With respect to areas  
19 in which fewer than 75 percent  
20 of families issued vouchers be-  
21 come participants in the pro-  
22 gram, the public housing agency  
23 has established the payment  
24 standard at 110 percent of the  
25 fair market rent for all census

1 tracts in the area for the pre-  
2 vious six months, the public  
3 housing agency has requested a  
4 higher payment standard, and  
5 the public housing agency grants  
6 an automatic extension of 90  
7 days (or longer) to families with  
8 vouchers who are attempting to  
9 find housing, clause (i) shall be  
10 applied by substituting ‘40 per-  
11 cent’ for ‘25 percent’; and

12 “(bb) With respect to census  
13 tracts with a poverty rate of 20  
14 percent or less, clause (i) shall be  
15 applied by substituting ‘50 per-  
16 cent’ for ‘25 percent’ and the  
17 Secretary may, by regulation, es-  
18 tablish additional conditions.”;

19 (3) in subparagraph (J)—

20 (A) by striking the fifth and sixth sen-  
21 tences and inserting the following: “A public  
22 housing agency may establish and utilize proce-  
23 dures for maintaining site-based waiting lists  
24 under which applicants may apply directly at,  
25 or otherwise designate to the public housing

1 agency, the project or projects in which they  
2 seek to reside, except that all eligible applicants  
3 on the waiting list of an agency for assistance  
4 under this subsection shall be permitted to  
5 place their names on such separate list. All  
6 such procedures shall comply with title VI of  
7 the Civil Rights Act of 1964, the Fair Housing  
8 Act, and other applicable civil rights laws. The  
9 owner or manager of a structure assisted under  
10 this paragraph shall not admit any family to a  
11 dwelling unit assisted under a contract pursu-  
12 ant to this paragraph other than a family re-  
13 ferred by the public housing agency from its  
14 waiting list, or a family on a site-based waiting  
15 list that complies with the requirements of this  
16 subparagraph. A public housing agency shall  
17 disclose to each applicant all other options in  
18 the selection of a project in which to reside that  
19 are provided by the public housing agency and  
20 are available to the applicant.”; and

21 (B) by inserting after the third sentence  
22 the following new sentence: “Any family who re-  
23 sides in a dwelling unit proposed to be assisted  
24 under this paragraph, or in a unit to be re-  
25 placed by a proposed unit to be assisted under

1           this paragraph shall be given an absolute pref-  
2           ference for selection for placement in the pro-  
3           posed unit, if the family is otherwise eligible for  
4           assistance under this subsection.”; and

5           (4) by adding at the end the following new sub-  
6           paragraphs:

7                   “(N) STRUCTURE OWNED BY AGENCY.—  
8           Notwithstanding any other provision of law, as  
9           part of an initiative to improve, develop, or re-  
10          place a public housing site, a public housing  
11          agency may attach assistance to an existing,  
12          newly constructed, or rehabilitated structure in  
13          which the agency has an ownership interest or  
14          which the agency has control of without fol-  
15          lowing a competitive process, but only if the  
16          agency includes such initiative in its public  
17          housing agency plan approved under section 5A  
18          and the units that receive such assistance will  
19          not receive assistance under section 9. The pre-  
20          ceding sentence may not be construed to limit  
21          the ability of a public housing agency to attach  
22          assistance to structures under other applicable  
23          law.

24                   “(O) LEASES AND TENANCY.—Assistance  
25          provided under this paragraph shall be subject

1 to the provisions of paragraph (7), except that  
2 subparagraph (A) of such paragraph shall not  
3 apply. Notwithstanding any other provision of  
4 law, for the term of the contract under this  
5 paragraph, the owner may terminate tenancy  
6 only for serious or repeated violations of the  
7 terms and conditions of the lease or for viola-  
8 tion of applicable law.

9 “(P) ALLOWABLE TRANSFERS.—A public  
10 housing agency may, subject to the agreement  
11 of the receiving agency, transfer a portion of its  
12 vouchers and related budget authority to a pub-  
13 lic housing agency that administers a program  
14 under this subsection in another jurisdiction lo-  
15 cated in the same or a contiguous metropolitan  
16 area or county.

17 “(Q) RENT FLEXIBILITY.—If a dwelling  
18 unit assisted under this paragraph also receives  
19 funding from either of the funds established  
20 under section 1338 or 1339 of the Federal  
21 Housing Enterprises Financial Safety and  
22 Soundness Act of 1992 (12 U.S.C. 4568,  
23 4569), the rent for the unit, if agreed upon by  
24 both the public housing agency and the owner,  
25 may be established at an amount that is less

1 than would otherwise be permitted under para-  
2 graphs (1)(B) or (10)(A) of this section.”.

3 **SEC. 12. RENT BURDENS.**

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

8 “(E) **REVIEWS.**—

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

1           sisted under this subsection, occupying  
2           dwelling units of any size, paying more  
3           than 30 percent of their adjusted incomes  
4           for rent. In implementing the requirements  
5           of this clause, the Secretary shall separate  
6           out calculations and consideration of fami-  
7           lies whose rent contributions are calculated  
8           under section 3(a)(3) and clauses (ii) and  
9           (iii) of paragraph (2)(A) of this subsection.

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

23           “(iii) PUBLIC HOUSING AGENCY RE-  
24           SPONSIBILITIES.—Each public housing  
25           agency shall make publicly available the in-

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

1           lic housing agency has not been denied or  
2           approved with 45 days after the request is  
3           made, the request shall be considered to  
4           have been approved.”.

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

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

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

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

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

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

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

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

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

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

25 “(II) to avoid concentration of voucher holders;

1 while taking into consideration the factors specified in  
2 clause (ii).

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

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

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

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

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

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

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

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

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

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

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

23                                   “(B) SELECTION OF TENANTS.—

24   “(i) FUNCTION OF OWNER.—Each”;

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

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

5                         “(ii) SCREENING.—In addition”;

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

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

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

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

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

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

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

4           (1) in subsection (b)—

5                 (A) by striking paragraph (2);

6                 (B) in paragraph (1)—

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

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

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

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

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

6 (2) in subsection (c)—

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

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

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

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

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

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

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

23 “No denial of admission may be made pursuant to this  
24 subsection based on a misdemeanor 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 interferes with the right to peaceful  
7 enjoyment of the premises by other residents.”.

8 **SEC. 15. ENHANCED VOUCHERS.**

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

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

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

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

1           priate size if available on the premises), and the  
2           owner of the unit shall accept the enhanced  
3           voucher and terminate the tenancy only for se-  
4           rious or repeated violation of the terms and  
5           conditions of the lease or for violation of appli-  
6           cable law; and

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

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

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

10          (2) ELIGIBILITY.—A family described in this  
11          paragraph is a family who—

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

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

14                         (I) an elderly family (as such term is  
15                         used in section 3(b) of the United States  
16                         Housing Act of 1937 (42 U.S.C.  
17                         1437a(b));

18                         (II) a disabled family (as such term is  
19                         used in section 3(b) of the United States  
20                         Housing Act of 1937 (42 U.S.C.  
21                         1437a(b)); or

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

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

1 (i) immediately before such termi-  
2 nation date was assisted under the multi-  
3 family housing subsidy program for the  
4 project; and

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

7 (3) ELIGIBILITY EVENT.—Section 8(t)(2) of the  
8 United States Housing Act of 1937 (42 U.S.C.  
9 1437f(t)(2)) is amended by adding after the period  
10 at the end the following new sentence: “Such term  
11 includes, with respect to an assisted multifamily  
12 housing project (as such term is defined in section  
13 15(b) of the Section 8 Voucher Reform Act of  
14 2011), the occurrence of the termination date for  
15 the project.”.

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

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

23 (B) LOW-INCOME FAMILY.—The term  
24 “low-income family” has the meaning given

1 such term in section 3(b) of the United States  
2 Housing Act of 1937 (42 U.S.C. 1437a(b)).

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

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

11 (i) the below-market interest rate  
12 mortgage insurance program under section  
13 221(d)(3) of the National Housing Act (12  
14 U.S.C. 1715l(d)(3)); and

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

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

22 (i) the mortgage for the property that  
23 is insured under the below-market interest  
24 rate program under section 221(d)(3) of  
25 the National Housing Act, or for which in-

1           terest reduction payments are made under  
2           section 236 of such Act, matures; and

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

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

11          (c) PROVISION TO CERTAIN ASSISTED HOUSING  
12          RESIDENTS.—

13                  (1) ENHANCED VOUCHER ASSISTANCE.—Not-  
14          withstanding any other provision of law, contract, or  
15          covenant, and subject only to the availability of  
16          amounts provided in advance in appropriation  
17          Acts—

18                          (A) upon the expiration, pursuant to sub-  
19                  paragraph (B), of the use restrictions applicable  
20                  to the covered properties pursuant to the Emer-  
21                  gency Low Income Housing Preservation Act of  
22                  1987 (12 U.S.C. 1715l note), each family who  
23                  is an eligible low-income or moderate income  
24                  family, as such terms are used for purposes of  
25                  section 223(f)(2)(A) of the Low-Income Hous-

1           ing Preservation and Resident Homeownership  
2           Act of 1990 (12 U.S.C. 4113(f)(2)(A)), and, as  
3           of such expiration, is residing in a dwelling unit  
4           in the covered properties not covered by project-  
5           based rental assistance, shall be offered en-  
6           hanced voucher assistance under section 8(t) of  
7           the United States Housing Act of 1937 (42  
8           U.S.C. 1437f(t)), and each such family who  
9           chooses to remain in the covered properties  
10          shall have three years from the date of the  
11          issuance of such enhanced voucher to commence  
12          use of the voucher;

13                (B) such use restrictions applicable to the  
14          covered properties shall be deemed to expire on  
15          March 1, 2012, but only if the owner of the  
16          covered properties enters into agreements with  
17          the Secretary to maintain the project-based  
18          rental assistance for the properties for a period  
19          beginning upon such expiration of not fewer  
20          than 20 years; and

21                (C) the contract rents for dwelling units in  
22          the covered properties covered by project-based  
23          rental assistance shall be determined during the  
24          period ending upon the expiration of such use  
25          restrictions pursuant to subparagraph (B)

1 based upon the rents for comparable unassisted  
2 and unrestricted units in the area in which the  
3 covered properties are located; except that be-  
4 fore May 1, 2015, the rental assistance pay-  
5 ments for such project-based units in the cov-  
6 ered property known as Georgetowne Houses II  
7 shall be restricted to the rent levels provided  
8 under the Emergency Low Income Housing  
9 Preservation Act of 1987.

10 (2) COVERED PROPERTIES.—For purposes of  
11 this subsection, the term “covered properties” means  
12 the housing developments known as Georgetowne  
13 Houses I and II (formerly identified by FHA project  
14 nos. 023-55058 and 023-55179), located in Boston,  
15 Massachusetts.

16 (3) FUNDING.—Amounts for the enhanced  
17 vouchers pursuant to this subsection shall be pro-  
18 vided under amounts appropriated for tenant-based  
19 rental assistance otherwise authorized under section  
20 8(t) of the United States Housing Act of 1937.

21 (4) APPLICABILITY.—This subsection shall take  
22 effect upon enactment and nothing in this subsection  
23 may be construed to require any administrative  
24 guidance.

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

2 (a) **AUTHORITY TO ENTER INTO AGREEMENTS.—**

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

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

23 (c) **DEMONSTRATION PROGRAMS.—**A demonstration  
24 program described in this subsection is a demonstration  
25 program of a State that provides for persons with signifi-  
26 cant disabilities to be employed and continue to receive

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

8 **SEC. 17. AUTHORIZATION OF APPROPRIATIONS.**

9       There is authorized to be appropriated for fiscal year  
10 2012 the amount necessary to provide public housing  
11 agencies with incremental assistance under section 8(o) of  
12 the United States Housing Act of 1937 (42 U.S.C.  
13 1437f(o)) sufficient to assist 150,000 incremental dwelling  
14 units in such fiscal year, for—

15           (1) tenant-based assistance; and

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

18           (A) funding from either of the funds estab-  
19 lished under section 1338 or 1339 of the Fed-  
20 eral Housing Enterprises Financial Safety and  
21 Soundness Act of 1992 (12 U.S.C. 4568,  
22 4569);

23           (B) low-income housing tax credits pro-  
24 vided under section 42 of the Internal Revenue  
25 Code of 1986;

1 (C) amounts provided under the commu-  
2 nity development block grant program under  
3 title I of the Housing and Community Develop-  
4 ment Act of 1974 (42 U.S.C. 5301 et seq.) and  
5 the HOME investment partnerships program  
6 under title II of the Cranston-Gonzalez Na-  
7 tional Affordable Housing Act (42 U.S.C.  
8 12721 et seq.); and

9 (D) State and local affordable housing  
10 funds and programs.

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

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

17 “(22) AUTHORITY OF PUBLIC HOUSING AGEN-  
18 CIES TO MAKE DIRECT PAYMENTS FOR UTILITIES  
19 WHEN OWNER FAILS TO PAY.—

20 “(A) IN GENERAL.—If the owner has  
21 failed to pay for utilities that are the responsi-  
22 bility of the owner under the lease or applicable  
23 law, the public housing agency is authorized to  
24 utilize subsidy payments otherwise due the

1 owner to pay for continued utility service to  
2 avoid hardship to program participants.

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

15 **SEC. 19. UTILITY DATA.**

16 Section 8(o) of the United States Housing Act of  
17 1937 (42 U.S.C. 1437f(o)), as amended by the preceding  
18 provisions of this Act, is further amended by adding at  
19 the end the following new paragraph:

20 “(23) UTILITY DATA.—

21 “(A) PUBLICATION.—The Secretary shall  
22 regularly publish such data regarding utility  
23 consumption and costs in local areas as the  
24 Secretary determines will be useful for the es-

1           tablishment of allowances for tenant-paid utili-  
2           ties for families assisted under this subsection.

3           “(B) GUIDELINES FOR USE.—The Sec-  
4           retary shall establish guidelines providing for  
5           the use of such data in a manner that—

6                   “(i) avoids unnecessary administrative  
7                   burdens for public housing agencies; and

8                   “(ii) protects families in various unit  
9                   sizes and building types, and using various  
10                  utilities, from high rent and utility cost  
11                  burdens relative to income.”.

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

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

16                   (1) by redesignating paragraph (4) as para-  
17                   graph (5); and

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

20                   “(4) PRESERVATION PROJECT-BASED VOUCHER  
21                   ASSISTANCE.—Notwithstanding any other provision  
22                   of law, in the case of a multifamily housing project  
23                   with respect to which an eligibility event occurs or  
24                   has occurred, project-based voucher assistance may  
25                   be provided in accordance with subsection (o)(13)(R)

1 in lieu of enhanced voucher assistance under this  
2 subsection. Such project-based voucher assistance  
3 shall not be subject to the provisions of this sub-  
4 section, except as otherwise specifically provided in  
5 subsection (o)(13)(R).”.

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

11 “(R) PRESERVATION ASSISTANCE.—

12 “(i) AUTHORITY.—Project-based  
13 voucher assistance under this paragraph  
14 shall be made available in accordance with  
15 this subparagraph for multifamily housing  
16 projects for which an eligibility event (as  
17 such term is defined in subsection (t)) oc-  
18 curs or has occurred and for which en-  
19 hanced voucher assistance would otherwise  
20 be, or has been, provided under subsection  
21 (t). Any such assistance shall be in lieu of  
22 enhanced voucher assistance under sub-  
23 section (t) for tenants residing in the  
24 project and shall be provided by the Sec-  
25 retary to a public housing agency.

1           “(ii) REQUEST AND PROVISION.—If  
2           the owner of a multifamily housing project  
3           makes a request for project-based voucher  
4           assistance pursuant to this subparagraph  
5           for the project to a public housing agency  
6           that administers a program for assistance  
7           under subsection (o) for a jurisdiction  
8           within which the project is located, a con-  
9           tract for assistance under this subpara-  
10          graph shall be provided with respect to the  
11          project, subject to clause (v).

12           “(iii) TIMING, COVERAGE, AND UNIT  
13          RENTS.—

14           “(I) REQUEST MADE BEFORE  
15          ELIGIBILITY EVENT.—In the case of a  
16          contract for assistance under this sub-  
17          paragraph with respect to a project  
18          that is requested prior to the occur-  
19          rence of the eligibility event, the con-  
20          tract for assistance shall be provided,  
21          subject to clause (v), upon the occur-  
22          rence of the eligibility event. Such  
23          contract shall cover all dwelling units  
24          in the project for which enhanced

1 voucher assistance under subsection  
2 (t) would otherwise be provided.

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

17 “(III) COVERAGE OF ADDI-  
18 TIONAL DWELLING UNITS.—At the re-  
19 quest of the owner of a multifamily  
20 housing project for which a contract  
21 for assistance is to be provided under  
22 this subparagraph, the public housing  
23 agency may contract with the owner  
24 for project-based voucher assistance  
25 under this subparagraph to cover ad-

1           ditional dwelling units, if the public  
2           housing agency determines that such  
3           additional assistance is necessary or  
4           desirable to further the purposes re-  
5           flected in clause (v).

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

19                   “(iv) PROJECTS IN MULTIPLE PHA JU-  
20                  RISDICTIONS.—If the Secretary has not en-  
21                  tered into a contract with a public housing  
22                  agency to provide enhanced voucher assist-  
23                  ance under subsection (t) for the project at  
24                  the time the owner of a multifamily hous-  
25                  ing project requests assistance under this

1           subparagraph, and the project is located  
2           within the jurisdiction for the program  
3           under subsection (o) of more than one pub-  
4           lic housing agency, in determining which  
5           agency will administer such assistance, the  
6           Secretary shall—

7                       “(I) consider the ratio of the  
8                       number of vouchers to be awarded  
9                       under this subparagraph and of other  
10                      project-based vouchers administered  
11                      under this paragraph to the total  
12                      number of vouchers administered by  
13                      an agency; and

14                     “(II) among other factors, pro-  
15                     vide preference to an agency for which  
16                     the total number of project-based  
17                     vouchers administered under this  
18                     paragraph, including vouchers to be  
19                     awarded pursuant to this subpara-  
20                     graph, would not exceed 50 percent of  
21                     the total number of all vouchers to be  
22                     administered by the agency after such  
23                     award.

24           The Secretary shall establish guidelines for  
25           determining which agency will administer

1 assistance if a unit is not located within  
2 the jurisdiction of any public housing agen-  
3 cy that administers vouchers.

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

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

12 “(II)(aa) there is a significant  
13 demand for the housing;

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

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

22 “(vi) INAPPLICABILITY OF GOALS.—  
23 Subparagraph (C) shall not apply to a  
24 housing assistance payment contract pur-  
25 suant to this subparagraph.

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

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

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

22   **SEC. 21. EFFECT OF FORECLOSURE ON SECTION 8 TENAN-**  
23                   **CIES.**

24          (a) USE OF RENTAL ASSISTANCE AMOUNTS.—Sec-  
25          tion 8(o)(7) of the United States Housing Act of 1937

1 (42 U.S.C. 1437f(o)(7)), as amended by section 703 of  
2 division A of Public Law 111–22 (123 Stat. 1661), is  
3 amended—

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

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

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

3 “(ii) for the family’s reasonable mov-  
4 ing costs, including security deposit  
5 costs.”;

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

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

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

19 (b) SUNSET.—Section 704 of division A of the Help-  
20 ing Families Save Their Homes Act (42 U.S.C. 1437f  
21 note; Public Law 111–22; 123 Stat. 1662) is amended—

22 (1) by striking “This title, and any amend-  
23 ments made by this title are” and inserting “Section  
24 702 is”; and

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

3 **SEC. 22. STUDY TO IDENTIFY OBSTACLES TO USING**  
4 **VOUCHERS IN FEDERALLY SUBSIDIZED**  
5 **HOUSING PROJECTS.**

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

1 subsidized housing projects. Such study shall include data on  
2 the use of housing vouchers in federally subsidized housing  
3 projects.

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

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

17 **SEC. 23. INTERAGENCY COUNCIL ON HOMELESSNESS.**

18 (a) TECHNICAL CORRECTION.—Section 202(e) of the  
19 McKinney-Vento Homeless Assistance Act (42 U.S.C.  
20 11312), as amended by section 1004 of division B of Pub-  
21 lic Law 111–22, is amended by striking “Chairman” and  
22 inserting “Chairperson”.

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

1 (1) in subsection (a)—

2 (A) in paragraph (13), by striking “para-  
3 graph (7)” and inserting “paragraph (10)”;

4 (B) by redesignating paragraphs (6), (7),  
5 (8), (9) (as added by section 1004(a)(3)(D) of  
6 Public Law 111–22; 123 Stat. 1667), (9) (as so  
7 redesignated by section 1004(a)(3)(A) of Public  
8 Law 111–22; 123 Stat. 1667), (10), (11), (12),  
9 and (13) as paragraphs (9), (10), (11), (12,  
10 (13), (14), (15), (16), and (17) respectively;

11 (C) in paragraph (1), by inserting “which  
12 shall set forth actions to accomplish the goal of  
13 ending homelessness,” after “National Strategic  
14 Plan to End Homelessness,”;

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

20 (E) by inserting after paragraph (5) the  
21 following new paragraphs:

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

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

1           “(B) legislative strategies for the Congress  
2           to achieve such goals;

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

6           “(8) conduct research and develop methods—

7           “(A) through consultation with State and  
8           local agencies, to improve coordination between  
9           the Council and Federal agencies in existence  
10          upon the date of enactment of the Interagency  
11          Council on Homelessness Reform Act of 2011  
12          that specifically deal with homelessness; and

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

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

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

21          “(4) PUBLIC AVAILABILITY.—The Council shall  
22          make each report submitted to the Congress pursu-  
23          ant to paragraph (1), (2), or (3) of this subsection,  
24          and the national plan and updates of such plan sub-  
25          mitted pursuant to paragraph (1) of subsection (a),

1 publicly available, including through posting on a  
2 World Wide Web site maintained by the Council.”.

3 (c) AUTHORIZATION OF APPROPRIATIONS.—Section  
4 208 of the McKinney-Vento Homeless Assistance Act (42  
5 U.S.C. 11318), as amended by section 1004 of division  
6 B of Public Law 111–22, is amended by striking “fiscal  
7 years 2011” and inserting “each of fiscal years 2012  
8 through 2016”.

9 **SEC. 24. STUDY OF EFFECTS OF SECTION 8 PROGRAM ON**  
10 **HUD BUDGET AND PROGRAMS.**

11 The Comptroller General of the United States shall  
12 conduct a study to identify and analyze the effects that  
13 the rental assistance program under section 8 of the  
14 United States Housing Act of 1937 (42 U.S.C. 1437f) has  
15 on the other programs administered by the Secretary of  
16 Housing and Urban Development and on the overall budg-  
17 et for the Department of Housing and Urban Develop-  
18 ment. Not later than the expiration of the 6-month period  
19 beginning on the date of the enactment of this Act, the  
20 Comptroller General shall submit a report to the Congress  
21 setting forth the results and conclusions of the study  
22 under this section.

23 **SEC. 25. HOUSING INNOVATION PROGRAM.**

24 (a) ESTABLISHMENT OF PROGRAM.—Title I of the  
25 United States Housing Act of 1937 (42 U.S.C. 1437 et

1 seq.) is amended by adding at the end the following new  
2 section:

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

4 “(a) PURPOSE.—The purpose of this section is to es-  
5 tablish a program under which public housing agencies are  
6 given the flexibility to design, and the Secretary is given  
7 the responsibility to evaluate, innovative approaches to  
8 providing housing assistance that—

9 “(1) increase housing opportunities for low-,  
10 very low-, and extremely low-income families, includ-  
11 ing preserving, modernizing, rehabilitating, reconfig-  
12 uring, or replacing public housing at risk of physical  
13 deterioration or obsolescence, developing additional  
14 affordable housing, providing supportive housing,  
15 and increasing the number of families receiving ten-  
16 ant-based rental assistance;

17 “(2) provide financial incentives and other sup-  
18 port mechanisms to families to obtain employment  
19 and increase earned income, and achieve economic  
20 self-sufficiency, while protecting very low- and ex-  
21 tremely low-income families from increased rent bur-  
22 dens;

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

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

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

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

12           “(7) are developed with the support of the local  
13 community and with the substantial participation of  
14 affected residents.

15           “(b) PROGRAM AUTHORITY.—

16           “(1) SCOPE.—

17           “(A) PRIORITY STRATEGY AGENCIES.—

18           The Secretary shall carry out a housing innova-  
19 tion program under this section under which  
20 the Secretary shall designate such number of  
21 public housing agencies, which shall not exceed  
22 60, to participate in the housing innovation pro-  
23 gram as may be necessary, in conjunction with  
24 agencies approved for continued program par-  
25 ticipation pursuant to subsection (c), to dem-

1           onstrate the effectiveness of the priority strate-  
2           gies identified in subsection (d)(2).

3           “(B) ADDITIONAL PROGRAM AGENCIES.—  
4           The Secretary shall also designate such number  
5           of additional agencies, which shall not exceed  
6           20, to participate in the program under the  
7           terms of subsection (i) as may be necessary to  
8           demonstrate other innovative strategies as the  
9           Secretary or applicants may propose.

10           “(C) TRANSFER OF EXISTING MTW AGEN-  
11           CIES.—The Secretary shall also approve and  
12           transfer into the program existing MTW agen-  
13           cies pursuant to subsection (c).

14           “(2) DURATION.—The Secretary may carry out  
15           the housing innovation program under this section  
16           only during the 10-year period beginning on the date  
17           of the enactment of the Section 8 Voucher Reform  
18           Act of 2011.

19           “(c) PARTICIPATION OF EXISTING MTW AGEN-  
20           CIES.—

21           “(1) IN GENERAL.—Subject to the require-  
22           ments of paragraph (2), all existing MTW agencies  
23           shall be designated to participate in the program.

24           “(2) CONDITIONS OF PARTICIPATION.—The  
25           Secretary shall approve and transfer into the hous-

1       ing innovation program under this section each ex-  
2       isting MTW agency that the Secretary determines—

3               “(A) is not in default under such agree-  
4       ment;

5               “(B) is meeting the goals and objectives of  
6       its moving to work plan; and

7               “(C) with respect to any agency that has  
8       been audited by the Inspector General of the  
9       Department of Housing and Urban Develop-  
10      ment and that the Inspector General has deter-  
11      mined was not complying with program rules, is  
12      currently complying with such rules; the Sec-  
13      retary shall provide an agency that the Sec-  
14      retary determines is not in compliance a reason-  
15      able period of time to achieve such compliance.

16              “(3) TERMS OF PARTICIPATION.—Any agency  
17      approved for transfer into the housing innovation  
18      program may, at its option, be subject to the provi-  
19      sions of subsection (d)(3), in lieu of an agreement  
20      currently in place with the Secretary for participa-  
21      tion in the Moving to Work program. Each agency  
22      shall, within two years after the date of the enact-  
23      ment of the Section 8 Voucher Reform Act of 2011,  
24      make changes to its policies that were implemented  
25      before such date of enactment in order to comply

1 with the requirements of this section. Existing MTW  
2 agencies shall not be required to comply with any re-  
3 quirements under subsection (d).

4 “(d) ADDITIONAL AGENCIES.—

5 “(1) PROPOSALS; SELECTION PROCESS.—In ad-  
6 dition to agencies participating in the program pur-  
7 suant to subsection (c), the Secretary shall, within  
8 12 months after such date of enactment, select pub-  
9 lic housing agencies to participate in the program  
10 pursuant to a competitive process that meets the fol-  
11 lowing requirements:

12 “(A) Any public housing agency may be se-  
13 lected to participate in the program, except that  
14 not more than 5 agencies that are near-troubled  
15 under the public housing assessment system  
16 and/or section 8 management assessment pro-  
17 gram may be selected, and except that any  
18 agency that is a troubled agency under either  
19 such assessment program or for which the Sec-  
20 retary has hired an alternative management en-  
21 tity for such agency or has taken possession of  
22 all or any part of such agency’s public housing  
23 program shall not be eligible for participation.  
24 Any near-troubled public housing agency par-  
25 ticipating in the program shall remain subject

1 to the requirements of this Act governing ten-  
2 ant rent contributions, eligibility, and continued  
3 participation, and may not adopt policies de-  
4 scribed in subsection (e)(4) (relating to rents  
5 and requirements for continued occupation and  
6 participation).

7 “(B) The process provides, to the extent  
8 possible based on eligible agencies submitting  
9 applications and taking into account existing  
10 MTW agencies participating pursuant to sub-  
11 section (c), for representation among agencies  
12 selected of agencies having various characteris-  
13 tics, including both large and small agencies,  
14 agencies serving urban, suburban, and rural  
15 areas, and agencies in various geographical re-  
16 gions throughout the United States, and which  
17 may include the selection of agencies that only  
18 administer the voucher program under section  
19 8(o).

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

1           “(D) The agency submitting a proposal  
2 shall hold two public meetings to receive com-  
3 ments on the agency’s proposed application, on  
4 the implications of changes under the proposal,  
5 and the possible impact on residents.

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

8                   “(i) The extent to which—

9                           “(I) if proposal is for the purpose  
10 of carrying out the priority strategy  
11 under paragraph (2)(A) of this sub-  
12 section, the proposal is likely to  
13 achieve the purposes of increasing  
14 housing opportunities for low-, very  
15 low-, and extremely low-income fami-  
16 lies, including preserving, modern-  
17 izing, rehabilitating, reconfiguring, or  
18 replacing public housing at risk of  
19 physical deterioration or obsolescence,  
20 developing additional affordable hous-  
21 ing, providing supportive housing, or  
22 increasing the number of families re-  
23 ceiving tenant-based rental assistance,  
24 or a combination of these purposes;

1           “(II) if the proposal is for the  
2           purpose of carrying out the priority  
3           strategy under paragraph (2)(B) of  
4           this subsection, the proposal is likely  
5           to achieve the purposes of families ob-  
6           taining employment, increasing earned  
7           income, or achieving economic self-  
8           sufficiency, while protecting extremely  
9           low- and very low-income families  
10          from increased rent burdens;

11          “(III) if the proposal is for the  
12          purpose of carrying out an innovative  
13          strategy under paragraph (2)(C) of  
14          this subsection, the proposal is likely  
15          to utilize funds in a more effective or  
16          cost-efficient manner, including  
17          achieving energy, administrative, or  
18          other cost-savings; or

19          “(IV) if the proposal is for the  
20          purpose of carrying out an innovative  
21          strategy pursuant to subsection  
22          (b)(1)(B), the proposal is likely to  
23          achieve the goals and objectives of  
24          such strategy.

1           “(ii) The extent to which the proposal  
2           generally identifies statutory provisions  
3           and existing rules and regulations that im-  
4           pede achievement of the goals and objec-  
5           tives of the proposal and an explanation of  
6           why a waiver of such statutory provisions,  
7           rules, and regulations is necessary to  
8           achieve such goals and objectives.

9           “(iii) The extent to which the agency  
10          has a successful history of implementing or  
11          has expertise in strategies similar to those  
12          set forth in the agency’s proposal.

13          “(iv) The extent of commitment and  
14          funding for carrying out the proposal by  
15          local and State government agencies and  
16          nonprofit organizations, including the pro-  
17          vision of additional funding and other serv-  
18          ices, and the extent of support for the pro-  
19          posal by residents, resident advisory  
20          boards, and members of the local commu-  
21          nity.

22          “(v) Such other factors as the Sec-  
23          retary may establish, in consultation with  
24          participating agencies and agencies inter-  
25          ested in participating in the program, pro-

1           gram stakeholders, and any entity con-  
2           ducting evaluations pursuant to subsection  
3           (f).

4           “(2) PRIORITY STRATEGIES.—For purposes of  
5           the first sentence of paragraph (b)(1), the following  
6           are priority strategies:

7                   “(A) INCREASING HOUSING OPPORTUNI-  
8                   TIES.—A strategy of development of increasing  
9                   housing opportunities for low-, very low-, and  
10                  extremely low-income families, including pre-  
11                  serving, modernizing, rehabilitating, reconfig-  
12                  uring, or replacing public housing at risk of  
13                  physical deterioration or obsolescence, devel-  
14                  oping additional affordable housing, providing  
15                  supportive housing, or increasing the number of  
16                  families receiving tenant-based rental assist-  
17                  ance, or a combination of these purposes, and  
18                  which may include leveraging other Federal,  
19                  State, and local funding sources.

20                   “(B) RENT REFORMS AND FAMILY SELF-  
21                   SUFFICIENCY.—A strategy to implement rent  
22                   reforms and other self-sufficiency incentives or  
23                   resources, which shall be designed to help fami-  
24                   lies obtain employment, increase their earned  
25                   income, or achieve economic self-sufficiency,

1 while protecting extremely low- and very low-in-  
2 come families from increased rent burdens.

3 “(C) COST-EFFECTIVENESS.—A strategy  
4 to utilize funds in a more effective or cost-effi-  
5 cient manner, including achieving energy, ad-  
6 ministrative, or other cost-savings.

7 “(3) CONTRACT AMENDMENT.—After selecting  
8 agencies under this subsection, the Secretary shall  
9 promptly amend the applicable annual contributions  
10 contracts of such agencies to provide that—

11 “(A) subject to compliance with all pro-  
12 gram rules under this section, such agencies  
13 may implement any policies and activities that  
14 are not inconsistent with this section, without  
15 specifying such policies and activities in such  
16 amendment and without negotiating or entering  
17 into any other agreements with the Secretary  
18 specifying such policies and activities; and

19 “(B) the policies and activities to be imple-  
20 mented by an agency under the program in a  
21 given year shall be described in and subject to  
22 the requirements of the annual plan under sub-  
23 section (e)(11).

24 “(4) MAINTAINING PARTICIPATION RATE.—If,  
25 at any time after the initial selection period under

1 paragraph (1), the number of public housing agen-  
2 cies participating in the program falls below the  
3 number selected pursuant to paragraph (1), the Sec-  
4 retary shall promptly solicit applications from and  
5 select public housing agencies to participate in the  
6 program under the terms and conditions for applica-  
7 tion and selection provided in this section to increase  
8 the number of participating agencies to the number  
9 initially selected pursuant to paragraph (1).

10 “(e) PROGRAM REQUIREMENTS.—

11 “(1) PROGRAM FUNDS.—

12 “(A) IN GENERAL.—To carry out a hous-  
13 ing innovation program under this section, the  
14 participating agency may use amounts provided  
15 to the agency from the Operating Fund under  
16 section 9(e), amounts provided to the agency  
17 from the Capital Fund under section 9(d), and  
18 amounts provided to the agency for voucher as-  
19 sistance under section 8(o). Such program  
20 funds may be used for any activities that are  
21 authorized by section 8(o) or 9, or for other ac-  
22 tivities that are not inconsistent with this sec-  
23 tion, which may include, without limitation—

24 “(i) providing capital and operating  
25 assistance, and financing for housing pre-

1 viously developed or operated pursuant to  
2 a contract between the Secretary and such  
3 agency;

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

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

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

20 “(v) safety, security, law enforcement,  
21 and anti-crime activities appropriate to  
22 protect and support families assisted under  
23 the program;

1           “(vi) tenant-based rental assistance,  
2           which may include the project-basing of  
3           such assistance;

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

11          “(viii) family self-sufficiency activities  
12          for low-income families in connection with  
13          rental or homeownership assistance pro-  
14          vided under the program.

15          “(B)     COMBINING     FUNDS.—Notwith-  
16          standing any other provision of law, a partici-  
17          pating agency may combine and use program  
18          funds for any activities authorized under this  
19          section, except that a participating agency may  
20          use funds provided for assistance under section  
21          8(o) for activities other than those authorized  
22          under section 8(o) only if (i) in the calendar  
23          year prior to its participation in the program,  
24          the agency utilized not less than 95 percent of  
25          such funds allocated for that calendar year for

1           such authorized activities or 95 percent of its  
2           authorized vouchers; or (ii) after approval to  
3           participate in the program, the agency achieves  
4           such utilization for a 12-month period. Such  
5           limitation shall not apply to participating agen-  
6           cies approved by the Secretary to combine  
7           funds from sections 8 and 9 of the Act prior to  
8           enactment of this section. A public housing  
9           agency that uses funds provided from assist-  
10          ance under section 8(o) for activities not au-  
11          thorized under such subsection may not termi-  
12          nate assistance to families assisted under such  
13          subsection on the grounds of inadequate fund-  
14          ing to the extent such inadequacy is caused by  
15          such use of funds for purposes not authorized  
16          under section 8(o).

17           “(2) USE OF PROGRAM FUNDS.—In carrying  
18          out the housing innovation program under this sec-  
19          tion, each participating agency shall continue to as-  
20          sist—

21                   “(A) not less than substantially the same  
22                   number of eligible low-income families under  
23                   the program as it assisted in the base year for  
24                   the agency; and

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

9           Determinations with respect to the number of fami-  
10          lies required to be served shall be adjusted to reflect  
11          any allocation of additional vouchers under section  
12          8(o), any change in annual voucher proration factor,  
13          or such other appropriate adjustments as the Sec-  
14          retary may establish. For purposes of subparagraphs  
15          (A) and (B), the term ‘base year’ means, with re-  
16          spect to existing MTW agencies, the first full cal-  
17          endar year prior to approval for entry into the mov-  
18          ing to work demonstration. The Secretary shall mon-  
19          itor and enforce compliance with the requirements of  
20          subparagraph (A) on an annual basis.

21          “(3) RETAINED PROVISIONS.—Each agency  
22          that is approved for program participation pursuant  
23          to subparagraph (A) or (B) of subsection (b)(1)  
24          shall comply with all provisions of this Act except  
25          those statutory provisions and existing rules and

1 regulations generally identified in the application for  
2 participation in the program, except that the Sec-  
3 retary may approve requests by an agency to waive  
4 compliance with other statutes, regulations, and  
5 rules pursuant to this Act, consistent with other pro-  
6 gram rules, if the Secretary determines that such a  
7 request would further the goals and objectives iden-  
8 tified in the application for participation in the pro-  
9 gram (taking into consideration public and resident  
10 input pursuant to the procedure under paragraph  
11 (4)) or would further the purposes identified in sub-  
12 paragraphs (B) and (C) of subsection (f)(1). Not-  
13 withstanding any other provision of this section,  
14 families receiving assistance under this section shall  
15 retain the same rights of judicial review of agency  
16 action as they would otherwise have had if the agen-  
17 cy were not participating in the program, and each  
18 participating agency, including existing MTW agen-  
19 cies that are approved for transfer into the program  
20 pursuant to subsection (c), shall comply with the fol-  
21 lowing provisions of this Act:

22 “(A) Subsections (a)(2)(A) and (b)(1) of  
23 section 16 (relating to targeting for new admis-  
24 sions in the public housing and voucher pro-  
25 grams).

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

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

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

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

13          “(F) Sections 6(c)(3), 6(c)(4)(i), and  
14          8(o)(6)(B) (relating to rights of public housing  
15          applicants and existing procedural rights for  
16          applicants under section 8(o)).

17          “(G) Section 6(k) (relating to grievance  
18          procedures for public housing tenants) and  
19          comparable procedural rights for families as-  
20          sisted under section 8(o).

21          “(H) Section 6(l) (relating to public hous-  
22          ing lease requirements), except that for units  
23          assisted both with program funds and low-in-  
24          come housing tax credits, the initial lease term  
25          may be less than 12 months if required to con-

1 form lease terms with such tax credit require-  
2 ments.

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

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

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

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

12                   “(i) in the case of agencies partici-  
13                   pating in the moving to work demonstra-  
14                   tion, any housing assistance payment con-  
15                   tract entered into before or within 2 years  
16                   after the enactment of this section;

17                   “(ii) project-based vouchers that re-  
18                   place public housing units;

19                   “(iii) not more than 10 percent of the  
20                   vouchers available to the participating  
21                   agency upon entering the housing innova-  
22                   tion program under this section; and

23                   “(iv) any project-based voucher pro-  
24                   gram that is subject to evaluation under  
25                   subsection (f).

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

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

10 “(N) Sections 8(ee) and 6(u) (relating to  
11 records, certification and confidentiality regard-  
12 ing domestic violence).

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

15 “(P) Section 18 (relating to demolition and  
16 disposition of public housing).

17 “(Q) Requirements regarding—

18 “(i) establishment of resident councils  
19 and jurisdiction-wide resident organiza-  
20 tions;

21 “(ii) public housing agency support  
22 for such councils and organizations; and

23 “(iii) involvement of such councils and  
24 organizations in public housing agency op-  
25 erations;.

1 as authorized under sections 3(c)(2),  
2 6(e)(5)(C), and 9(e) and implemented by appli-  
3 cable regulations.

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

6 “(A) BEFORE POLICY CHANGE.—Before  
7 adopting any policy pursuant to participation in  
8 the housing innovation program under this sec-  
9 tion that would make a material adverse change  
10 to the requirements of this Act regarding ten-  
11 ant rents or contributions, or conditions of con-  
12 tinued occupancy or participation, a partici-  
13 pating agency shall complete each of the fol-  
14 lowing actions:

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

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

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

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

1           “(iv) The agency shall obtain approval  
2           from the Secretary of the annual plan or  
3           plan amendment. The Secretary may ap-  
4           prove a plan or amendment containing a  
5           material change to the requirements of this  
6           Act regarding tenant rents or contribu-  
7           tions, or conditions of continued occupancy  
8           or participation, only if the agency agrees  
9           that such policy may be included as part of  
10          the national evaluation.

11          “(B) AFTER POLICY CHANGE.—After  
12          adopting a policy described in subparagraph  
13          (A), a program agency shall complete each of  
14          the following actions:

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

21               “(ii) In the case of any additional re-  
22               quirements for continued occupancy or  
23               participation, the agency shall execute a  
24               lease addendum or participation agreement  
25               specifying the requirements applicable to

1 both the resident and the agency. A resi-  
2 dent may bring a civil action to enforce  
3 commitments of the agency made through  
4 the lease addendum or participation agree-  
5 ment.

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

18 “(iv) The agency shall include in the  
19 annual report under subsection (h)(2) in-  
20 formation sufficient to describe any hard-  
21 ship requests, including the number and  
22 types of requests made, granted, and de-  
23 nied, the use of transition rules, and ad-  
24 verse impacts resulting from changes in  
25 rent or continued occupancy policies, in-

1           cluding actions taken by the agency to  
2           mitigate such impacts and impacts on fam-  
3           ilies no longer assisted under the program.

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

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

24          “(6) RENT BURDEN.—A participating agency  
25          may not adopt rent policies that result in families

1 making substantially higher rent payments than  
2 would customarily be made by families of com-  
3 parable income under the program under which as-  
4 sistance is provided.

5 “(7) TIME LIMITS.—A participating agency  
6 may implement time limits on the term of housing  
7 assistance received by families under the program  
8 only if—

9 “(A) such limits are for a period of time  
10 not shorter than 5 years; and

11 “(B) enforcement of such limits is sus-  
12 pended for any period of time during which the  
13 unemployment rate in the area exceeds 10 per-  
14 cent.

15 “(8) EMPLOYMENT CONDITIONS.—A partici-  
16 pating agency may condition the receipt of housing  
17 assistance by families under the program on require-  
18 ments relating to the employment status or related  
19 activities of one or more family members only if—

20 “(A) such requirements are consistent with  
21 the program for block grants to States for tem-  
22 porary assistance for needy families under part  
23 A of title IV of the Social Security Act;

24 “(B) the agency establishes reasonable  
25 hardship exemptions; and

1           “(C) enforcement of such requirements is  
2           suspended for any period of time during which  
3           the unemployment rate in the area exceeds 10  
4           percent.

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

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

17                 “(A) NOTICE TO RESIDENTS.—

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

1           “(ii) MEETING.—The agency shall  
2           hold at least one meeting with the resident  
3           advisory board (including representatives  
4           of recipients of assistance under section 8)  
5           to review the annual plan for each year.

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

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

1 approval by the board of directors (or other  
2 similar governing body) of the agency and shall  
3 remain publicly available.

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

10 “(11) ANNUAL PLAN.—

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

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

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

24 “(ii) A description and comparison of  
25 changes under the housing innovation pro-

1           gram of the agency from the plan for such  
2           program for the preceding year.

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

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

18          “(v) Certifications by the agency  
19          that—

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

1 1990, and the rules, standards, and  
2 policies in the approved plan;

3 “(II) the agency will affirmatively  
4 further fair housing; and

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

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

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

25 “(D) APPROVAL PROCESS.—

1                   “(i) TIMING.—The Secretary shall re-  
2 view and approve or disapprove each an-  
3 nual plan submitted to the Secretary with-  
4 in 45 days after such submission. The Sec-  
5 retary, directly or through the public hous-  
6 ing agency, shall make information relating  
7 to such approval or disapproval available to  
8 all members of the Resident Advisory  
9 Board of the public housing agency.

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

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

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

23                   “(III) the annual plan or annual  
24 report or the agency’s activities under

1 the program are not otherwise in ac-  
2 cordance with applicable law.

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

14 “(f) EVALUATION OF PERFORMANCE.—

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

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

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

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

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

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

11           “(A) Comparison of the impact on families  
12           to similar types of families not subject to such  
13           policies.

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

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

18           “(D) A process evaluation that examines  
19           the challenges faced in implementing tested  
20           strategies and how those challenges were overcome.  
21           

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

1           “(F) An examination of the impact of test-  
2           ed strategies on the housing needs and condi-  
3           tions of the jurisdiction in which the agency  
4           works.

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

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

21          “(4) REPORTS.—

22          “(A) IN GENERAL.—The Secretary shall  
23          submit three reports to the Congress, as pro-  
24          vided in subparagraph (B), evaluating the pro-  
25          grams of all public housing agencies partici-

1           pating in the program under this section and all  
2           agencies participating in the moving to work  
3           demonstration. Each such report shall include  
4           findings and recommendations for any appro-  
5           priate legislative action.

6           “(B) TIMING.—The reports under this  
7           paragraph shall include—

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

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

17                   “(iii) a final report, which shall be  
18                   submitted before the expiration of the 10-  
19                  year period beginning on the date of the  
20                  enactment of the Section 8 Voucher Re-  
21                  form Act of 2011.

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

1           “(6) PERFORMANCE MEASURES.—The Sec-  
2           retary or the evaluating entity, as applicable, shall  
3           establish performance measures, which may in-  
4           clude—

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

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

10          “(g) IMPACT OF POLICY ON FAMILIES BEING AS-  
11          SISTED.—

12                   “(1) MODIFICATION OF POLICY.—If an evalua-  
13                   tion of an agency pursuant to subsection (f)(1)(A)  
14                   includes evidence that a policy adopted by an agency  
15                   is or has been harmful to families assisted by the  
16                   agency, the Secretary may, after the publication of  
17                   either the initial or the interim report pursuant to  
18                   subsection (f)(4)(B), require such agency to take ap-  
19                   propriate actions to modify such policy to ameliorate  
20                   such harm.

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

1 number of families receiving housing assistance,  
2 noncompliance with the provision of subsection  
3 (e)(6) (relating to rent burdens), specific types of  
4 families losing their housing assistance, a reduction  
5 in the number of affordable rental housing units op-  
6 erated by the agency, noncompliance with the re-  
7 quirements of subsection (e)(3)(A) (relating to tar-  
8 geting), or a combination of such factors.

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

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

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

1           “(2) REPORTS.—In lieu of all other reporting  
2 requirements, each such agency participating in the  
3 program shall submit to the Secretary an annual re-  
4 port in a form and at a time specified by the Sec-  
5 retary. Each annual report shall include the fol-  
6 lowing information:

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

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

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

22           “(D) Documentation of public and resident  
23 participation sufficient to comply with the re-  
24 quirements under paragraph (7).

1           “(E) A comparison of income and the sizes  
2           and types of families assisted by the agency  
3           under the program compared to those assisted  
4           by the agency in the base year.

5           “(F) Every two years, an evaluation of  
6           rent policies, subsidy level policies, and policies  
7           on program participation.

8           “(G) A description of any ongoing local  
9           evaluations and the results of any local evalua-  
10          tions completed during the year.

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

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

1           “(5) REPORTS REGARDING EVALUATIONS.—The  
2           Secretary shall require each public housing agency  
3           participating in the program under this section to  
4           submit to the Secretary such information as the Sec-  
5           retary considers appropriate to permit the Secretary  
6           to evaluate (pursuant to subsection (f)) the perform-  
7           ance and success of the agency in achieving the pur-  
8           poses of the program.

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

14                 “(1) APPLICABILITY OF CERTAIN EXISTING  
15                 PROVISIONS.—Such agencies shall be subject to the  
16                 provisions of—

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

18                         and

19                         “(B) section 8(o), except for paragraph  
20                         (11) and except as the requirements of section  
21                         8(o) are modified by subsection (e)(3) of this  
22                         section.

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

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

5           “(4) ONE-FOR-ONE REPLACEMENT.—

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

16                   “(B) PLAN REQUIREMENTS.—The Sec-  
17 retary may not approve a plan that provides for  
18 demolition or disposition of any dwelling unit of  
19 public housing referred to in subparagraph (A)  
20 unless—

21                           “(i) such plan provides for outreach to  
22 public housing agency residents in accord-  
23 ance with paragraph (5);

24                           “(ii) not later than 60 days before the  
25 date of the approval of such plan, such

1 agency has convened and conducted a pub-  
2 lic hearing regarding the demolition or dis-  
3 position proposed in the plan;

4 “(iii) such plan provides that for each  
5 such dwelling unit demolished or disposed  
6 of, such public housing agency will provide  
7 an additional dwelling unit through—

8 “(I) the acquisition or develop-  
9 ment of additional public housing  
10 dwelling units; or

11 “(II) the acquisition, develop-  
12 ment, or contracting (including  
13 through project-based assistance) of  
14 additional dwelling units that are sub-  
15 ject to requirements regarding eligi-  
16 bility for initial or continued occu-  
17 pancy, tenant contribution toward  
18 rent, and long-term affordability re-  
19 strictions which are comparable to  
20 public housing units, except that no  
21 household may be prevented from oc-  
22 cupying a replacement dwelling unit  
23 provided pursuant to clause (iii) ex-  
24 cept to the extent specifically provided  
25 by any other provision of Federal law

1 (including subtitle F of title V of the  
2 Quality Housing and Work Responsi-  
3 bility Act of 1998 (42 U.S.C. 13661  
4 et seq.; relating to safety and security  
5 in public and assisted housing, sub-  
6 title D of title VI of the Housing and  
7 Community Development Act of 1992  
8 (42 U.S.C. 13611 et seq.; relating to  
9 preferences for elderly and disabled  
10 residents), and section 16(f) of this  
11 Act (42 U.S.C. 1437n(f)); relating to  
12 ineligibility of persons convicted of  
13 methamphetamine offenses);

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

23 “(v) such plan provides that the pro-  
24 posed demolition or disposition and reloca-  
25 tion will be carried out in a manner that

1 affirmatively furthers fair housing, as de-  
2 scribed in subsection (e) of section 808 of  
3 the Civil Rights Act of 1968;

4 “(vi) such plan provides for a mixed-  
5 income development on the site of the  
6 original public housing, with at least one-  
7 third of all dwelling units being provided  
8 through the development of additional pub-  
9 lic housing dwelling units, except that upon  
10 a showing by the agency, if the Secretary  
11 determines that such location is infeasible,  
12 an agency may locate such a development  
13 in areas within the jurisdiction of the  
14 agency having low concentrations of pov-  
15 erty; and

16 “(vii) to the extent that such plan  
17 provides for the provision of replacement  
18 or additional dwelling units, or redevelop-  
19 ment, in phases over time, such plan pro-  
20 vides that the ratio of dwelling units de-  
21 scribed in subclauses (I) and (II) of clause  
22 (iii) that are provided in any such single  
23 phase to the total number of dwelling units  
24 provided in such phase is not less than the  
25 ratio of the aggregate number of such

1 dwelling units provided under the plan to  
2 the total number of dwelling units provided  
3 under the plan.

4 “(C) INAPPLICABLE PROVISIONS.—Sub-  
5 paragraphs (B) and (D) of section 8(o)(13) of  
6 the United States Housing Act of 1937 (42  
7 U.S.C. 1437f(o)(13)) shall not apply with re-  
8 spect to vouchers used to comply with the re-  
9 quirements of subparagraph (B)(iii) of this  
10 paragraph.

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

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

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

10           “(B) The votes and agreements regarding  
11           the plan shall involve—

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

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

20           “(C) The plan shall provide for and de-  
21           scribe outreach efforts to inform residents of  
22           the program under this subsection, including a  
23           door-to-door information program, monthly  
24           newsletters to each resident household, monthly  
25           meetings dedicated solely to every aspect of the

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

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

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

23 “(1) EXISTING MTW AGENCY.—The term ‘exist-  
24 ing MTW agency’ means a public housing agency  
25 that as of the date of the enactment of the Section

1       8 Voucher Reform Act of 2011 has an existing  
2       agreement with the Secretary pursuant to the mov-  
3       ing to work demonstration, or is authorized to enter  
4       into such an agreement under section 230 of the  
5       Transportation, Housing and Urban Development,  
6       and Related Agencies Appropriations Act, 2008  
7       (Public Law 110–161; 121 Stat. 2438), section 236  
8       of the Transportation, Housing and Urban Develop-  
9       ment, and Related Agencies Appropriations Act,  
10      2009 (Division I of Public Law 111–8; 123 Stat.  
11      981), section 232 of the Transportation, Housing  
12      and Urban Development, and Related Agencies Ap-  
13      propriations Act, 2010 (Division A of Public Law  
14      111–117; 123 Stat. 3105), or the Continuing Appro-  
15      priations Act, 2011 (Public Law 111-242; 124 Stat.  
16      2607), as amended.

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

23           “(3) MOVING TO WORK DEMONSTRATION.—The  
24      term ‘moving to work demonstration’ means the  
25      moving to work demonstration program under sec-

1       tion 204 of the Departments of Veterans Affairs and  
2       Housing and Urban Development, and Independent  
3       Agencies Appropriations Act, 1996 (42 U.S.C. 1437f  
4       note).

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

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

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

22          “(k) RESIDENT TECHNICAL ASSISTANCE.—

23           “(1) AUTHORIZATION OF APPROPRIATIONS.—  
24       There is authorized to be appropriated for each of  
25       fiscal years 2012 through 2016 \$10,000,000, for

1 providing capacity building and technical assistance  
2 to enhance the capabilities of low-income families as-  
3 sisted or eligible for assistance under the program  
4 under this section to participate in the process for  
5 establishment and revision of annual plans under  
6 this section for participating agencies, including re-  
7 view and comment on impact analyses and demoli-  
8 tion or disposition proposals.

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

16 “(A)(i) have members who are predomi-  
17 nantly low-income;

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

20 “(iii) directly work with or represent low-  
21 income individuals;

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

1           “(C) have a demonstrated capacity to man-  
2           age similar grants.

3           “(3) PUBLIC HOUSING AGENCIES.—

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

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

14          “(1) AUTHORIZATION OF APPROPRIATIONS FOR  
15          EVALUATIONS.—There is authorized to be appropriated  
16          \$15,000,000 to the Department of Housing and Urban  
17          Development for the purpose of conducting the evaluations  
18          required under subsection (f)(1).”.

19          (b) GAO REPORT.—Not later than 48 months after  
20          the date of the enactment of this Act, the Comptroller  
21          General of the United States shall submit a report to the  
22          Congress on the extent to which the public housing agen-  
23          cies participating in the housing innovation program  
24          under section 37 of the United States Housing Act of

1 1937 are meeting the goals and purposes of such program,  
2 as identified in subsection (a) of such section 37.

3 **SEC. 26. STUDY OF USE OF INCOME DATABASES TO RE-**  
4 **DUCE SUBSIDY ERRORS.**

5 The Comptroller General of the United States shall  
6 conduct a study to identify databases regarding incomes  
7 of families and individuals that may be used in connection  
8 with the voucher program for rental assistance under sec-  
9 tion 8(o) of the United States Housing Act of 1937 (42  
10 U.S.C. 1437f(o)), the public housing program under such  
11 Act, and project-based rental assistance programs under  
12 section 8 of such Act to reduce errors in subsidy amounts  
13 provided on behalf of recipients of assistance under such  
14 programs and to determine how best to utilize such data-  
15 bases for such purpose. In conducting such study, the  
16 Comptroller General shall analyze and consider the use of  
17 income information maintained in the National Directory  
18 of New Hires database of the Department of Health and  
19 Human Services. Not later than the expiration of the 9-  
20 month period beginning on the date of the enactment of  
21 this Act, the Comptroller General shall submit a report  
22 to the Congress setting for the results and conclusions of  
23 the study under this section.

1 **SEC. 27. EFFECTIVE DATE.**

2 Except as otherwise specifically provided in this  
3 Act—

4 (1) sections 3, 4, 6, and 7 of this Act and the  
5 amendments made by such sections shall take effect  
6 on January 1, 2012, except that the Secretary may  
7 delay such effective date for any one or more of sec-  
8 tions 3, 4, and 7 to January 1, 2013, upon a deter-  
9 mination by the Secretary that such extension is  
10 necessary to provide program participants sufficient  
11 time to make adjustments to the changes made by  
12 such sections; and

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