[DISCUSSION DRAFT]

112TH CONGRESS 1ST SESSION

H.R.

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

IN THE HOUSE OF REPRESENTATIVES

М	introduced the following bill; which was referred to the
	Committee on

A BILL

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

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.
- 4 (a) Short Title.—This Act may be cited as the
- 5 "Section 8 Savings Act of 2011".
- 6 (b) Table of Contents.—The table of contents for
- 7 this Act is as follows:
 - Sec. 1. Short title and table of contents.
 - 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. Use of voucher funds. Sec. 7. Family self-sufficiency program. Sec. 8. Enhanced vouchers. Sec. 9. PHA project-based assistance. Sec. 10. Establishment of fair market rent. Sec. 11. Screening of applicants. Sec. 12. Utility data. Sec. 13. Access to HUD programs for persons with limited English proficiency. Sec. 14. Extension of Mark-to-Market Program. 	
SEC. 2. INSPECTION OF DWELLING UNITS.	
(a) In General.—Section 8(o)(8) of the United	
States Housing Act of 1937 (42 U.S.C. $1437f(o)(8)$) is	
amended—	
(1) by striking subparagraph (A) and inserting	
the following new subparagraph:	
"(A) INITIAL INSPECTION.—	
"(i) In general.—For each dwelling	
unit for which a housing assistance pay-	
ment contract is established under this	
subsection, the public housing agency (or	
other entity pursuant to paragraph (11))	
shall inspect the unit before any assistance	
payment is made to determine whether the	
dwelling unit meets the housing quality	
standards under subparagraph (B), except	
as provided in clause (ii) or (iii) of this	
subparagraph.	
"(ii) Correction of Non-Life	

THREATENING CONDITIONS.—In the case

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

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

public housing agency may withhold assistance amounts under this subsection with respect to a dwelling unit for which a no-

AMOUNTS

"(ii) Withholding of Assistance

CORRECTION.—The

DURING

21

1	tice pursuant to clause $(i)(II)$, of failure to
2	comply with housing quality standards
3	under subparagraph (B) as determined
4	pursuant to an inspection conducted under
5	subparagraph (D) or (F), has been pro-
6	vided. If the unit is brought into compli-
7	ance with such housing quality standards
8	during the periods referred to in clause
9	(i)(III), the public housing agency shall re-
10	commence assistance payments and may
11	use any amounts withheld during the cor-
12	rection period to make assistance payments
13	relating to the period during which pay-
14	ments were withheld.
15	"(iii) Abatement of assistance
16	AMOUNTS.—The public housing agency
17	shall abate all of the assistance amounts
18	under this subsection with respect to a
19	dwelling unit that is determined, pursuant
20	to clause (i) of this subparagraph, to be in
21	noncompliance with housing quality stand-
22	ards under subparagraph (B). Upon com-
23	pletion of repairs by the public housing
24	agency or the owner sufficient so that the
25	dwelling unit complies with such housing

1	quality standards, the agency shall recom-
2	mence payments under the housing assist-
3	ance payments contract to the owner of the
4	dwelling unit.
5	"(iv) Notification.—If a public
6	housing agency providing assistance under
7	this subsection abates rental assistance
8	payments pursuant to clause (iii) with re-
9	spect to a dwelling unit, the agency shall,
10	upon commencement of such abatement—
11	"(I) notify the tenant and the
12	owner of the dwelling unit that—
13	"(aa) such abatement has
14	commenced; and
15	"(bb) if the dwelling unit is
16	not brought into compliance with
17	housing quality standards within
18	60 days after the effective date of
19	the determination of noncompli-
20	ance under clause (i) or such rea-
21	sonable longer period as the
22	agency may establish, the tenant
23	will have to move; and
24	"(II) issue the tenant the nec-
25	essary forms to allow the tenant to

1	move to another dwelling unit and
2	transfer the rental assistance to that
3	unit.
4	"(v) Protection of Tenants.—An
5	owner of a dwelling unit may not terminate
6	the tenancy of any tenant because of the
7	withholding or abatement of assistance
8	pursuant to this subparagraph. During the
9	period that assistance is abated pursuant
10	to this subparagraph, the tenant may ter-
11	minate the tenancy by notifying the owner.
12	"(vi) Termination of lease or as-
13	SISTANCE PAYMENTS CONTRACT.—If as-
14	sistance amounts under this section for a
15	dwelling unit are abated pursuant to clause
16	(iii) and the owner does not correct the
17	noncompliance within 60 days after the ef-
18	fective date of the determination of non-
19	compliance under clause (i), or such other
20	reasonable longer period as the public
21	housing agency may establish, the agency
22	shall terminate the housing assistance pay-
23	ments contract for the dwelling unit.
24	"(vii) Relocation.—

[Discussion Draft]

1	"(I) LEASE OF NEW UNIT.—The
2	agency shall provide the family resid-
3	ing in such a dwelling unit a period of
4	90 days or such longer period as the
5	public housing agency determines is
6	reasonably necessary to lease a new
7	unit, beginning upon termination of
8	the contract, to lease a new residence
9	with tenant-based rental assistance
10	under this section.
11	"(II) Availability of public
12	HOUSING UNITS.—If the family is un-
13	able to lease such a new residence
14	during such period, the public housing
15	agency shall, at the option of the fam-
16	ily, provide such family a preference
17	for occupancy in a dwelling unit of
18	public housing that is owned or oper-
19	ated by the agency that first becomes
20	available for occupancy after the expi-
21	ration of such period.
22	"(III) Assistance in finding
23	UNIT.—The public housing agency
24	may provide assistance to the family
25	in finding a new residence, including

1	use of up to two months of any assist-
2	ance amounts abated pursuant to
3	clause (iii) for costs directly associ-
4	ated with relocation of the family to a
5	new residence, which shall include se-
6	curity deposits as necessary and may
7	include reimbursements for reasonable
8	moving expenses incurred by the
9	household, as established by the Sec-
10	retary. The agency may require that a
11	family receiving assistance for a secu-
12	rity deposit shall remit, to the extent
13	of such assistance, the amount of any
14	security deposit refunds made by the
15	owner of the dwelling unit for which
16	the lease was terminated.
17	"(viii) Tenant-caused damages.—
18	If a public housing agency determines that
19	any damage to a dwelling unit that results
20	in a failure of the dwelling unit to comply
21	with housing quality standards under sub-
22	paragraph (B), other than any damage re-
23	sulting from ordinary use, was caused by
24	the tenant, any member of the tenant's
25	household, or any guest or other person

1	under the tenant's control, the agency may
2	waive the applicability of this subpara-
3	graph, except that this clause shall not ex-
4	onerate a tenant from any liability other-
5	wise existing under applicable law for dam-
6	ages to the premises caused by such ten-
7	ant.
8	"(ix) Applicability.—This subpara-
9	graph shall apply to any dwelling unit for
10	which a housing assistance payments con-
11	tract is entered into or renewed after the
12	date of the effectiveness of the regulations
13	implementing this subparagraph.".
14	(b) Effective Date.—The Secretary of Housing
15	and Urban Development shall issue notice or regulations
16	to implement the amendments made by subsection (a) of
17	this section and such amendments shall take effect after
18	such issuance.
19	SEC. 3. RENT REFORM AND INCOME REVIEWS.
20	(a) Rent for Public Housing and Section 8
21	Programs.—Section 3 of the United States Housing Act
22	of 1937 (42 U.S.C. 1437a) is amended—
23	(1) in subsection (a)—
24	(A) in paragraph (3)(A)(ii), by inserting
25	before the period at the end the following: "or

1	by the owner of the property receiving rental
2	assistance, as the Secretary may allow"; and
3	(B) by adding at the end the following new
4	paragraphs:
5	"(6) Reviews of family income.—
6	"(A) Frequency.—Reviews of family in-
7	come for purposes of this section shall be
8	made—
9	"(i) in the case of all families, upon
10	the initial provision of housing assistance
11	for the family;
12	"(ii) annually thereafter, except as
13	provided in subparagraph (B)(i);
14	"(iii) upon the request of the family,
15	at any time the income or deductions
16	(under subsection (b)(5)) of the family
17	change by an amount that is estimated to
18	result in a decrease of 10 percent (or such
19	lower amount as the Secretary may, by no-
20	tice, establish, or permit the public housing
21	agency or owner to establish) or more in
22	annual adjusted income; and
23	"(iv) at any time the income or deduc-
24	tions (under subsection (b)(5)) of the fam-
25	ily change by an amount that is estimated

1	to result in an increase of 10 percent or
2	more in annual adjusted income, or such
3	other amount as the Secretary may by no-
4	tice establish, except that any increase in
5	the earned income of a family shall not be
6	considered for purposes of this clause (ex-
7	cept that earned income may be considered
8	if the increase corresponds to previous de-
9	creases under clause (iii)), except that a
10	public housing agency or owner may elect
11	not to conduct such review in the last three
12	months of a certification period.
13	"(B) FIXED-INCOME FAMILIES.—
14	"(i) Self certification and 3-year
15	REVIEW.—In the case of any family de-
16	scribed in clause (ii), after the initial re-
17	view of the family's income pursuant to
18	subparagraph (A)(i), the public housing
19	agency or owner shall not be required to
20	conduct a review of the family's income
21	pursuant to subparagraph (A)(ii) for any
22	year for which such family certifies, in ac-
23	cordance with such requirements as the
24	Secretary shall establish, that the income
25	of the family meets the requirements of

1	clause (ii) of this subparagraph and that
2	the sources of such income have not
3	changed since the previous year, except
4	that the public housing agency or owner
5	shall conduct a review of each such fam-
6	ily's income not less than once every 3
7	years.
8	"(ii) Eligible families.—A family
9	described in this clause is a family who has
10	an income, as of the most recent review
11	pursuant to subparagraph (A) or clause (i)
12	of this subparagraph, of which 90 percent
13	or more consists of fixed income, as such
14	term is defined in clause (iii).
15	"(iii) FIXED INCOME.—For purposes
16	of this subparagraph, the term 'fixed in-
17	come' includes income from—
18	"(I) the supplemental security in-
19	come program under title XVI of the
20	Social Security Act, including supple-
21	mentary payments pursuant to an
22	agreement for Federal administration
23	under section 1616(a) of the Social
24	Security Act and payments pursuant

1	to an agreement entered into under
2	section 212(b) of Public Law 93–66;
3	"(II) Social Security payments;
4	"(III) Federal, State, local and
5	private pension plans; and
6	"(IV) other periodic payments re-
7	ceived from annuities, insurance poli-
8	cies, retirement funds, disability or
9	death benefits, and other similar types
10	of periodic receipts that are of sub-
11	stantially the same amounts from year
12	to year.
13	"(C) In general.—Reviews of family in-
14	come for purposes of this section shall be sub-
15	ject to the provisions of section 904 of the
16	Stewart B. McKinney Homeless Assistance
17	Amendments Act of 1988.
18	"(7) CALCULATION OF INCOME.—
19	"(A) USE OF CURRENT YEAR INCOME.—In
20	determining family income for initial occupancy
21	or provision of housing assistance pursuant to
22	clause (i) of paragraph (6)(A) or pursuant to
23	reviews pursuant to clause (iii) or (iv) of such
24	paragraph, a public housing agency or owner

1	shall use the income of the family as estimated
2	by the agency or owner for the upcoming year.
3	"(B) USE OF PRIOR YEAR INCOME.—In
4	determining family income for annual reviews
5	pursuant to paragraph (6)(A)(ii), a public hous-
6	ing agency or owner shall, except as otherwise
7	provided in this paragraph, use the income of
8	the family as determined by the agency or
9	owner for the preceding year, taking into con-
10	sideration any redetermination of income during
11	such prior year pursuant to clause (iii) or (iv)
12	of paragraph (6)(A).
13	"(C) Inflationary adjustment for
14	FIXED INCOME FAMILIES.—
15	"(i) In general.—In any year in
16	which a public housing agency or owner
17	does not conduct a review of income for
18	any family described in clause (ii) of para-
19	graph (6)(B) pursuant to the authority
20	under clause (i) of such paragraph to
21	waive such a review, such family's prior
22	year's income determination shall, subject
23	to clauses (ii) and (iii), be adjusted by ap-
24	plying an inflationary factor as the Sec-

1 retary shall, by regulation or notice, estab-
2 lish.
3 "(ii) Exemption from adjust-
4 MENT.—A public housing agency or owner
5 may exempt from an adjustment pursuant
6 to clause (i) any income source for which
7 income does not increase from year to
8 year.
9 "(iii) Applicability of infla-
TIONARY FACTOR.—The inflationary factor
adjustment referred to in clause (i) shall
not be made with respect to the first year
after the year in which housing is occupied
or housing assistance is initially provided
for a family.
"(D) OTHER INCOME.—In determining the
income for any family based on the prior year's
income, with respect to prior year calculations
of income not subject to subparagraph (B), a
public housing agency or owner may make other
21 adjustments as it considers appropriate to re-
flect current income.
23 "(E) Safe Harbor.—A public housing
agency or owner may, to the extent such infor-
mation is available to the public housing agency

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

1	under the requirements of section 303(i) of the
2	Social Security Act (42 U.S.C. 503(i)).
3	"(F) PHA AND OWNER COMPLIANCE.—A
4	public housing agency or owner may not be con-
5	sidered to fail to comply with this paragraph or
6	paragraph (6) due solely to any de minimis er-
7	rors made by the agency or owner in calculating
8	family incomes.";
9	(2) by striking subsections (d) and (e); and
10	(3) by redesignating subsection (f) as sub-
11	section (d).
12	(b) Income.—Section 3(b) of the United States
13	Housing Act of 1937 (42 U.S.C. 1437a(b)) is amended—
14	(1) by striking paragraph (4) and inserting the
15	following new paragraph:
16	"(4) INCOME.—The term 'income' means, with
17	respect to a family, income received from all sources
18	by each member of the household who is 18 years
19	of age or older or is the head of household or spouse
20	of the head of the household, plus unearned income
21	by or on behalf of each dependent who is less than
22	18 years of age, as determined in accordance with
23	criteria prescribed by the Secretary, in consultation
24	with the Secretary of Agriculture, subject to the fol-
25	lowing requirements:

1	"(A) Included amounts.—Such term in-
2	cludes recurring gifts and receipts, actual in-
3	come from assets, and profit or loss from a
4	business.
5	"(B) EXCLUDED AMOUNTS.—Such term
6	does not include—
7	"(i) any imputed return on assets, ex-
8	cept to the extent that net family assets
9	exceed \$50,000;
10	"(ii) any amounts that would be eligi-
11	ble for exclusion under section 1613(a)(7)
12	of the Social Security Act (42 U.S.C.
13	1382b(a)(7));
14	"(iii) deferred disability benefits from
15	the Department of Veterans Affairs that
16	are received in a lump sum amount or in
17	prospective monthly amounts; and
18	"(iv) exclusions from income as estab-
19	lished by the Secretary by regulation or
20	notice, or any amount required by Federal
21	law to be excluded from consideration as
22	income.
23	"(C) EARNED INCOME OF STUDENTS.—
24	Such term does not include—

1	"(i) earned income, up to an amount
2	as the Secretary may by regulation estab-
3	lish, of any dependent earned during any
4	period that such dependent is attending
5	school or vocational training on a full-time
6	basis; or
7	"(ii) any grant-in-aid or scholarship
8	amounts related to such attendance used—
9	"(I) for the cost of tuition or
10	books; or
11	"(II) in such amounts as the Sec-
12	retary may allow, for the cost of room
13	and board.
14	"(D) EDUCATIONAL SAVINGS ACCOUNTS.—
15	Income shall be determined without regard to
16	any amounts in or from, or any benefits from,
17	any Coverdell education savings account under
18	section 530 of the Internal Revenue Code of
19	1986 or any qualified tuition program under
20	section 529 of such Code.
21	"(E) Recordkeeping.—The Secretary
22	may not require a public housing agency or
23	owner to maintain records of any amounts ex-
24	cluded from income pursuant to this subpara-
25	graph."; and

1	(2) by striking paragraph (5) and inserting the
2	following new paragraph:
3	"(5) Adjusted income.—The term 'adjusted
4	income' means, with respect to a family, the amount
5	(as determined by the public housing agency or
6	owner) of the income of the members of the family
7	residing in a dwelling unit or the persons on a lease,
8	after any deductions from income as follows:
9	"(A) ELDERLY AND DISABLED FAMI-
10	LIES.—\$675 in the case of any family that is
11	an elderly family or a disabled family.
12	"(B) Dependents.—In the case of any
13	family, \$525 for each member who—
14	"(i) is less than 18 years of age or at-
15	tending school or vocational training on a
16	full-time basis; or
17	"(ii) is a person with disabilities who
18	is 18 years of age or older and resides in
19	the household.
20	"(C) CHILD CARE.—The amount, if any,
21	that exceeds 5 percent of annual family income
22	that is used to pay for unreimbursed child care
23	expenses, which shall include child care for pre-
24	school-age children, for before- and after-care
25	for children in school, and for other child care

1	necessary to enable a member of the family to
2	be employed or further his or her education.
3	"(D) HEALTH AND MEDICAL EXPENSES.—
4	The amount, if any, by which 10 percent of an-
5	nual family income is exceeded by the sum of—
6	"(i) in the case of any elderly or dis-
7	abled family, any unreimbursed health and
8	medical care expenses; and
9	"(ii) any unreimbursed reasonable at-
10	tendant care and auxiliary apparatus ex-
11	penses for each handicapped member of
12	the family, to the extent necessary to en-
13	able any member of such family to be em-
14	ployed.
15	"(E) Permissive deductions.—Such ad-
16	ditional deductions as a public housing agency
17	may, at its discretion, establish, except that the
18	Secretary shall establish procedures to ensure
19	that such deductions do not materially increase
20	Federal expenditures.
21	The Secretary shall annually calculate the amounts
22	of the deductions under subparagraphs (A) and (B),
23	as such amounts may have been previously cal-
24	culated, by applying an inflationary factor as the
25	Secretary shall, by regulation, establish, except that

1	the actual deduction determined for each year shall
2	be established by rounding such amount to the next
3	lowest multiple of \$25.".
4	(c) Housing Choice Voucher Program.—Para-
5	graph (5) of section 8(0) of the United States Housing
6	Act of 1937 (42 U.S.C. 1437f(o)(5)) is amended—
7	(1) in the paragraph heading, by striking "An-
8	NUAL REVIEW" and inserting "REVIEWS";
9	(2) in subparagraph (A)—
10	(A) by striking "the provisions of" and in-
11	serting "paragraphs (6) and (7) of section 3(a)
12	and to"; and
13	(B) by striking "and shall be conducted
14	upon the initial provision of housing assistance
15	for the family and thereafter not less than an-
16	nually"; and
17	(3) in subparagraph (B), by striking the second
18	sentence.
19	(d) Enhanced Voucher Program.—Section
20	8(t)(1)(D) of the United States Housing Act of 1937 (42
21	U.S.C. 1437f(t)(1)(D)) is amended by striking "income"
22	each place such term appears and inserting "annual ad-
23	justed income".
24	(e) Project-based Housing.—Paragraph (3) of
25	section 8(c) of the United States Housing Act of 1937

1	(42 U.S.C. $1437f(c)(3)$) is amended by striking the last
2	sentence.
3	(f) Impact on Public Housing Revenues.—
4	(1) Adjustments to operating formula.—
5	If the Secretary of Housing and Urban Development
6	determines that the application of the amendments
7	made by this section results in a material and dis-
8	proportionate reduction in the rental income of cer-
9	tain public housing agencies during the first year in
10	which the amendments made by this section are im-
11	plemented, the Secretary may make appropriate ad-
12	justments in the formula income for such year of
13	those agencies experiencing such a reduction.
14	(2) HUD REPORTS ON REVENUE AND COST IM-
15	PACT.—In each of the first two years after the first
16	year in which the amendments made by this section
17	are implemented, the Secretary of Housing and
18	Urban Development shall submit a report to Con-
19	gress identifying and calculating the impact of
20	changes made by the amendments made by this sec-
21	tion and section 4 of this Act on the revenues and
22	costs of operating public housing units, the voucher
23	program for rental assistance under section 8 of the

United States Housing Act of 1937, and the pro-

gram under such section 8 for project-based rental

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1	assistance. If such report identifies a material reduc-
2	tion in the net income of public housing agencies na-
3	tionwide or a material increase in the costs of fund-
4	ing the voucher program or the project-based assist-
5	ance program, the Secretary shall include in such re-
6	port recommendations for legislative changes to re-
7	duce or eliminate such a reduction.
8	(g) RENT POLICY DEMONSTRATION.—
9	(1) In General.—The Secretary of Housing
10	and Urban Development may carry out a demonstra-
11	tion program, which may be initiated not later than
12	[January 1, 2012], for a limited number of families
13	assisted under the United States Housing Act of
14	1937 to determine the effectiveness of different rent
15	policies, which may include providing income dis-
16	regards, family self-sufficiency accounts, and policies
17	under which families pay amounts different from 30
18	percent of their adjusted income for rent, to encour-
19	age families to obtain employment, increase their in-
20	comes, and achieve economic self-sufficiency.
21	(2) Rent structures.—Such demonstration
22	shall include activities sufficient to test the effective-
23	ness of the following rent structures:
24	(A) Ceiling rents that
25	are based on the rental value of the unit.

1	(B) Income-tiered rents.—Income-
2	tiered tenant rents under which the amount a
3	family pays for rent is set and established on
4	the basis of broad tiers of income, with annual
5	cost adjustments.
6	(C) EARNED INCOME DISREGARD.—A ten-
7	ant rent structure under which the amount of
8	rent a family pays is reduced through a dis-
9	regard of a portion of the percentage or of the
10	dollar amount of the family's earned income.
11	(3) Public Housing Agencies.—Such dem-
12	onstration shall include public housing agencies of
13	various sizes, including small public housing agen-
14	cies.
15	(h) Effective Date.—The Secretary of Housing
16	and Urban Development shall issue notice or regulations
17	to implement the amendments made by this section and
18	such amendments shall take effect after such issuance, ex-
19	cept that such amendments may only take effect upon the
20	commencement of a calendar year.
21	SEC. 4. ELIGIBILITY FOR ASSISTANCE BASED ON ASSETS
22	AND INCOME.
23	(a) Assets.—Section 16 of the United States Hous-
24	ing Act of 1937 (42 U.S.C. 1437n) is amended by insert-
25	ing after subsection (d) the following new subsection:

1	"(e) Eligibility for Assistance Based on As-
2	SETS.—
3	"(1) Limitation on Assets.—Subject to para-
4	graph (3) and notwithstanding any other provision
5	of this Act, a dwelling unit assisted under this Act
6	may not be rented and assistance under this Act
7	may not be provided, either initially or at each recer-
8	tification of family income, to any family—
9	"(A) whose net family assets exceed
10	\$100,000, as such amount is adjusted annually
11	by applying an inflationary factor as the Sec-
12	retary considers appropriate; or
13	"(B) who has a present ownership interest
14	in, a legal right to reside in, and the effective
15	legal authority to sell, real property that is suit-
16	able for occupancy by the family as a residence,
17	except that the prohibition under this subpara-
18	graph shall not apply to—
19	"(i) any property for which the family
20	is receiving assistance under subsection (y)
21	or (o)(12) of section 8 of this Act;
22	"(ii) any person that is a victim of do-
23	mestic violence; or
24	"(iii) any family that is offering such
25	property for sale.

1	"(2) Net family assets.—
2	"(A) In general.—For purposes of this
3	subsection, the term 'net family assets' means
4	for all members of the household, the net cash
5	value of all assets after deducting reasonable
6	costs that would be incurred in disposing of real
7	property, savings, stocks, bonds, and other
8	forms of capital investment. Such term does not
9	include interests in Indian trust land, equity in
10	property for which the family is receiving assist-
11	ance under subsection (y) or (o)(12) of section
12	8, equity accounts in homeownership programs
13	of the Department of Housing and Urban De-
14	velopment, or Family Self Sufficiency accounts
15	"(B) Exclusions.—Such term does not
16	include—
17	"(i) the value of personal property, ex-
18	cept for items of personal property of sig-
19	nificant value, as the Secretary may estab-
20	lish or the public housing agency may de-
21	termine;
22	"(ii) the value of any retirement ac-
23	count;

1	"(iii) real property for which the fam-
2	ily does not have the effective legal author-
3	ity necessary to sell such property;
4	"(iv) any amounts recovered in any
5	civil action or settlement based on a claim
6	of malpractice, negligence, or other breach
7	of duty owed to a member of the family
8	and arising out of law, that resulted in a
9	member of the family being disabled;
10	"(v) the value of any Coverdell edu-
11	cation savings account under section 530
12	of the Internal Revenue Code of 1986 or
13	any qualified tuition program under sec-
14	tion 529 of such Code; and
15	"(vi) such other exclusions as the Sec-
16	retary may establish.
17	"(C) Trust funds.—In cases in which a
18	trust fund has been established and the trust is
19	not revocable by, or under the control of, any
20	member of the family or household, the value of
21	the trust fund shall not be considered an asset
22	of a family if the fund continues to be held in
23	trust. Any income distributed from the trust
24	fund shall be considered income for purposes of
25	section 3(b) and any calculations of annual

1	family income, except in the case of medical ex-
2	penses for a minor.
3	"(3) Self-certification.—
4	"(A) Net family assets.—A public
5	housing agency or owner may determine the net
6	assets of a family, for purposes of this section,
7	based on a certification by the family that the
8	net assets of such family do not exceed
9	\$50,000.
10	"(B) No current real property own-
11	ERSHIP.—A public housing agency or owner
12	may determine compliance with paragraph
13	(1)(B) based on a certification by the family
14	that such family does not have any current
15	ownership interest in any real property at the
16	time the agency or owner reviews the family's
17	income.
18	"(C) STANDARDIZED FORMS.—The Sec-
19	retary may develop standardized forms for the
20	certifications referred to in subparagraphs (A)
21	and (B).
22	"(4) Compliance for public housing
23	DWELLING UNITS.—When recertifying family income
24	with respect to families residing in public housing
25	dwelling units, a public housing agency may, in the

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1	discretion of the agency and only pursuant to a pol-
2	icy that is set forth in the public housing agency
3	plan under section 5A for the agency, choose not to
4	enforce the limitation under paragraph (1).
5	"(5) Enforcement.—When recertifying the
6	income of a family residing in a dwelling unit as-
7	sisted under this Act, a public housing agency or
8	owner may choose not to enforce the limitation
9	under paragraph (1) or may establish exceptions to
10	such limitation based on eligibility criteria, but only
11	pursuant to a policy that is set forth in the public
12	housing agency plan under section 5A for the agency
13	or under a policy adopted by the owner. Eligibility
14	criteria for establishing exceptions may provide for
15	separate treatment based on family type and may be
16	based on different factors, such as age, disability, in-
17	come, the ability of the family to find suitable alter-
18	native housing, and whether supportive services are
19	being provided.
20	"(6) Authority to delay evictions.—In the
21	case of a family residing in a dwelling unit assisted
22	under this Act who does not comply with the limita-
23	tion under paragraph (1), the public housing agency

or project owner may delay eviction or termination

1	of the family based on such noncompliance for a pe-
2	riod of not more than 6 months.".
3	(b) INCOME.—The United States Housing Act of
4	1937 is amended—
5	(1) in section 3(a)(1) (42 U.S.C. 1437a(a)(1)),
6	by striking the first sentence and inserting the fol-
7	lowing: "Dwelling units assisted under this Act may
8	be rented, and assistance under this Act may be pro-
9	vided, whether initially or at time of recertification,
10	only to families who are low-income families at the
11	time such initial or continued assistance, respec-
12	tively, is provided, except that families residing in
13	dwelling units as of the date of the enactment of the
14	Section 8 Savings Act of 2011 that, under agree-
15	ments in effect on such date of enactment, may have
16	incomes up to 95 percent of local area median in-
17	come shall continue to be eligible for assistance at
18	recertification as long as they continue to comply
19	with such income restrictions. When recertifying
20	family income with respect to families residing in
21	public housing dwelling units, a public housing agen-
22	cy may, in the discretion of the agency and only pur-
23	suant to a policy that is set forth in the public hous-
24	ing agency plan under section 5A for the agency,
25	choose not to enforce the prohibition under the pre-

1	ceding sentence. When recertifying family income
2	with respect to families residing in dwelling units for
3	which project-based assistance is provided, a project
4	owner may, in the owner's discretion and only pur-
5	suant to a policy adopted by such owner, choose not
6	to enforce such prohibition. In the case of a family
7	residing in a dwelling unit assisted under this Act
8	who does not meet the requirements under the first
9	sentence of this paragraph or the requirements
10	under section 8(o)(4), the public housing agency or
11	project owner may delay eviction or termination of
12	the family based on such noncompliance for a period
13	of not more than 6 months.";
14	(2) in section $8(o)(4)$ (42 U.S.C. $1437f(o)(4)$),
15	by striking the matter preceding subparagraph (A)
16	and inserting the following:
17	"(4) Eligible families.—Assistance under
18	this subsection may be provided, whether initially or
19	at each recertification, only pursuant to subsection
20	(t) to a family eligible for assistance under such sub-
21	section or to a family who at the time of such initial
22	or continued assistance, respectively, is a low-income
23	family that is—"; and
24	(3) in section $8(c)(4)$ (42 U.S.C. $1437f(c)(4)$),
25	by striking "at the time it initially occupied such

3	SEC. 5. TARGETING ASSISTANCE TO LOW-INCOME WORK-
2	strictions under section 3(a)(1)".
1	dwelling unit" and inserting "according to the re-

- 4 ING FAMILIES.
- 5 (a) Vouchers.—Section 16(b)(1) of the United
- 6 States Housing Act of 1937 (42 U.S.C. 1437n(b)(1)) is
- 7 amended by striking "families whose incomes" and all that
- 8 follows through "low family incomes" and inserting "ex-
- 9 tremely low-income families".
- 10 (b) Public Housing.—Section 16(a)(2)(A) of the
- 11 United States Housing Act of 1937 (42 U.S.C.
- 12 1437n(a)(2)(A)) is amended by striking "families whose
- 13 incomes" and all that follows through "low family in-
- 14 comes" and inserting "extremely low-income families".
- 15 (c) Project-based Section 8 Assistance.—Sec-
- 16 tion 16(c)(3) of the United States Housing Act of 1937
- 17 (42 U.S.C. 1437n(c)(3)) is amended by striking "families
- 18 whose incomes" and all that follows through "low family
- 19 incomes" and inserting: "extremely low-income families".
- 20 (d) Definition.—Section 3(b)(2) of the United
- 21 States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)) is
- 22 amended by inserting after the period at the end of the
- 23 second sentence the following new sentence: "The term
- 24 'extremely low-income families' means very low-income
- 25 families whose incomes do not exceed the higher of (A)

- 1 the poverty guidelines updated periodically by the Depart-
- 2 ment of Health and Human Services under the authority
- 3 of section 673(2) of the Omnibus Budget Reconciliation
- 4 Act of 1981 (42 U.S.C. 9902(2)) applicable to a family
- 5 of the size involved, or (B) 30 percent of the median fam-
- 6 ily income for the area, as determined by the Secretary
- 7 with adjustments for smaller and larger families, except
- 8 that the Secretary may establish income ceilings higher
- 9 or lower than 30 percent of the median for the area on
- 10 the basis of the Secretary's findings that such variations
- 11 are necessary because of unusually high or low family in-
- 12 comes, and except that clause (A) of this sentence shall
- 13 not apply in the case of public housing agencies located
- 14 in Puerto Rico or any other territory or possession of the
- 15 United States.".
- 16 (e) Effective Date.—The Secretary of Housing
- 17 and Urban Development shall issue a notice to implement
- 18 the amendments made by this section and such amend-
- 19 ments shall take effect upon such issuance.
- 20 SEC. 6. USE OF VOUCHER FUNDS.
- 21 Subsection (dd) of section 8 of the United States
- 22 Housing Act of 1937 (42 U.S.C. 1437f(dd)) is amended—
- 23 (1) by striking "(dd) Tenant-based Con-
- 24 TRACT RENEWALS.—Subject" and inserting the fol-
- lowing:;

1	"(dd) Tenant-based Contract Renewals.—
2	"(1) IN GENERAL.—Subject"; and
3	(2) by adding at the end the following new
4	paragraphs:
5	"(2) Leasing rate.—For purposes of deter-
6	mining annual allocations of voucher funding for
7	agencies, for 2012 and thereafter, the leasing rate
8	calculated for an agency for the prior calendar year
9	shall include vouchers that exceed the agency's au-
10	thorized voucher level only if they are funded
11	through the allocation for the agency for the prior
12	year, including adjustments for incremental and new
13	tenant protection and enhanced vouchers.
14	"(3) Reserves.—For 2012 and each calendar
15	year thereafter, each public housing agency shall be
16	allowed to retain as reserves an amount that is not
17	less than 6 percent of the amount allocated to such
18	agency in such calendar year prior to proration. The
19	sources of such reserves may include all allocated
20	amounts from such year plus reserves carried over
21	from previous years. Reserves may be used for over-
22	leasing in any year, regardless of whether such use
23	is eligible for renewal funding in the subsequent cal-
24	endar year.".

1	SEC.	7.	FAMILY	SELF-	SUFFI	CIENCY	PROGRAM.
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2	(a) In General.—Section 23 of the United States
3	Housing Act of 1937 (42 U.S.C. 1437u) is amended—
4	(1) in subsection (a)—
5	(A) by striking "public housing and"; and
6	(B) by striking "the certificate and vouch-
7	er programs under section 8" and inserting
8	"sections 8 and 9 of this title";
9	(2) by striking subsections (b) and (i);
10	(3) by redesignating subsections (c), (d), (e),
11	(f), (g), and (h) as subsections (d), (e), (f), (g), (h),
12	and (i), respectively;
13	(4) by inserting after subsection (a) the fol-
14	lowing new subsections:
15	"(b) Continuation of Prior Mandatory Pro-
16	GRAMS.—
17	"(1) In general.—Each public housing agen-
18	cy that was required to administer a mandatory
19	local Family Self-Sufficiency program on the date of
20	enactment of the Section 8 Savings Act of 2011,
21	shall operate such local program for, at a minimum,
22	the number of families the agency was required to
23	serve on the date of enactment of such Act, subject
24	only to the availability under appropriations Acts of
25	sufficient amounts for housing assistance and the re-
26	quirements of paragraph (2).

1	"(2) REDUCTION.—The number of families for
2	which an agency is required under paragraph (1) to
3	operate such local program shall be decreased by one
4	for each family that, after the enactment of the Sec-
5	tion 8 Savings Act of 2011, fulfills its obligations
6	under the contract of participation.
7	"(3) Exception.—The Secretary shall not re-
8	quire a public housing agency to carry out a manda-
9	tory program for a period of time upon request of
10	the public housing agency and upon a determination
11	by the Secretary that implementation is not feasible
12	because of local circumstances, which may include—
13	"(A) lack of supportive services accessible
14	to eligible families, which shall include insuffi-
15	cient availability of resources for programs
16	under title I of the Workforce Investment Act
17	of 1998 (29 U.S.C. 2801 et seq.);
18	"(B) lack of funding for reasonable admin-
19	istrative costs;
20	"(C) lack of cooperation by other units of
21	State or local government; or
22	"(D) any other circumstances that the Sec-
23	retary may consider appropriate.
24	"(c) Eligibility.—

1	"(1) ELIGIBLE FAMILIES.—A family shall be el-
2	igible to participate in a local Family Self-Suffi-
3	ciency program under this section if—
4	"(A) at least one adult family member
5	seeks to become and remain employed in suit-
6	able employment or to increase earnings; and
7	"(B) the family resides in a unit assisted
8	under section 8 or 9.
9	"(2) Eligible entities.—The following enti-
10	ties shall be eligible to administer a local Family
11	Self-Sufficiency program:
12	"(A) A public housing agency admin-
13	istering housing assistance to an eligible family
14	under section 8 or 9.
15	"(B) The owner or sponsor of a multi-
16	family property receiving rental assistance
17	under section 8, in accordance with the require-
18	ments under subsection (l).";
19	(5) in subsection (d), as so redesignated by
20	paragraph (3) of this subsection—
21	(A) in paragraph (1)—
22	(i) in the first sentence, by striking
23	"public housing agency" the first place
24	such term appears and inserting "eligible
25	entity";

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1	(ii) in the first sentence, by striking
2	"the certificate and voucher programs of
3	the public housing agency under section 8
4	or residing in public housing administered
5	by the agency" and inserting "section 8 or
6	9"; and
7	(iii) by striking the last sentence and
8	inserting the following: "Housing assist-
9	ance may not be terminated as a con-
10	sequence of successful completion of the
11	contract of participation or failure to com-
12	plete such contract.";
13	(B) in paragraph (2)—
14	(i) in the matter preceding subpara-
15	graph (A)—
16	(I) by striking "provide" and in-
17	serting "coordinate the provision of";
18	(II) by striking "provided dur-
19	ing" and inserting "for";
20	(III) by striking "section 8 or re-
21	siding in public housing" and insert-
22	ing "section 8 or 9"; and
23	(IV) by inserting ", but is not
24	limited to" after "may include";

1	(ii) in subparagraph (D), by inserting
2	"or attainment of a graduate equivalency
3	diploma" before the semicolon at the end;
4	(iii) by striking subparagraph (G);
5	(iv) by redesignating subparagraphs
6	(E), (F), (I), and (J) as subparagraphs
7	(F), (G), (J), and (L) respectively;
8	(v) by inserting after subparagraph
9	(D) the following new subparagraph:
10	"(E) education in pursuit of a post-sec-
11	ondary degree or certification;";
12	(vi) in subparagraph (H), by inserting
13	"financial literacy and" after "in";
14	(vii) by inserting after subparagraph
15	(H) the following new subparagraph:
16	"(I) health and mental health services as
17	needed;";
18	(viii) in subparagraph (J), as so re-
19	designated by clause (iv) of this subpara-
20	graph, by striking "and" at the end; and
21	(ix) by inserting after subparagraph
22	(J), as so redesignated by clause (iv) of
23	this subparagraph, the following new sub-
24	paragraph:

1	"(K) homeownership education and assist-
2	ance; and";
3	(C) in paragraph (3)—
4	(i) by striking "public housing agen-
5	cy" and inserting "eligible entity"; and
6	(ii) by striking "of the agency";
7	(D) by striking paragraph (4) and insert-
8	ing the following new paragraph:
9	"(4) Employment.—The contract of participa-
10	tion shall require participants to seek and maintain
11	suitable employment."; and
12	(E) by adding at the end the following
13	paragraph:
14	"(5) Nonparticipation.—Assistance under
15	section 8 or 9 for a family that elects not to partici-
16	pate in a local program shall not be delayed by rea-
17	son of such election.";
18	(6) in subsection (e), as so redesignated by
19	paragraph (3) of this subsection—
20	(A) in paragraph (1), by striking "whose
21	monthly adjusted income does not exceed 50
22	percent" and all that follows and inserting
23	"shall be calculated under the rental provisions
24	of section 3 or 8(o), as applicable.";
25	(B) in paragraph (2)—

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1	(i) by striking the first sentence and
2	inserting the following: "For each partici-
3	pating family, any increase in the amount
4	of rent paid by the family in accordance
5	with the provisions of section 3 or 8(o), as
6	applicable, that is attributable to increases
7	in earned income by the participating fam-
8	ily, shall be placed in an interest-bearing
9	escrow account established by the eligible
10	entity on behalf of the participating fam-
11	ily."
12	(ii) by striking the second sentence
13	and inserting the following: "All family
14	self-sufficiency programs administered
15	under this section shall include an escrow
16	account.";
17	(iii) by striking "subsection (c)" and
18	inserting "subsection (d)"; and
19	(iv) in the last sentence—
20	(I) by striking "A public housing
21	agency" and inserting "An eligible en-
22	tity''; and
23	(II) by striking "the public hous-
24	ing agency" and inserting "such enti-
25	ty"; and

1	(C) by striking paragraph (3) and insert-
2	ing the following new paragraph:
3	"(3) Forfeited escrow.—Any amount placed
4	in an escrow account established by an eligible entity
5	for a participating family as required under para-
6	graph (2), that exists after the end of a contract of
7	participation by a participant that does not qualify
8	to receive the escrow, shall be used for the purposes
9	of this section in accordance with the regulations
10	promulgated by the Secretary.";
11	(7) in subsection (f), as so redesignated by
12	paragraph (3) of this subsection, by striking "unless
13	the income of the family equals or exceeds 80 per-
14	cent of the median income of the area (as deter-
15	mined by the Secretary with adjustments for smaller
16	and larger families)";
17	(8) in subsection (g), as so redesignated by
18	paragraph (3) of this subsection—
19	(A) in paragraph (1)—
20	(i) by striking "Each public housing
21	agency" and inserting "Each eligible enti-
22	ty";
23	(ii) by striking "subsection (g)" and
24	inserting "subsection (h)"; and

1	(iii) by striking "the public housing
2	agency" and inserting "such entity"; and
3	(B) in paragraph (2)—
4	(i) by striking "public housing agen-
5	cy" each place such term appears and in-
6	serting "eligible entity";
7	(ii) by striking "or the Job Opportu-
8	nities and Basic Skills Training Program
9	under part F of title IV of the Social Secu-
10	rity Act''; and
11	(iii) by inserting "primary, secondary,
12	and post-secondary" after "public and pri-
13	vate'';
14	(9) in subsection (h), as so redesignated by
15	paragraph (3) of this subsection—
16	(A) in paragraph (1)—
17	(i) by striking "public housing agency
18	participating in the" and inserting "eligible
19	entity carrying out a local"; and
20	(ii) by striking "to the Secretary, for
21	approval by the Secretary,";
22	(B) in paragraph (2)—
23	(i) by striking "public housing agen-
24	cy" and inserting "eligible entity";

1	(ii) by striking "subsection (f)" and
2	inserting "subsection (g)";
3	(iii) by striking "residents of the pub-
4	lic housing" and inserting "the current
5	and prospective participants of the pro-
6	gram"; and
7	(iv) by striking "or the Job Opportu-
8	nities and Basic Skills Training Program
9	under part F of title IV of the Social Secu-
10	rity Act''; and
11	(C) in paragraph (3)—
12	(i) in subparagraph (C)—
13	(I) by striking "subsection
14	(e)(2)" and inserting "subsection
15	(d)(2)";
16	(II) by striking "provided to"
17	and inserting "coordinated on behalf
18	of participating"; and
19	(III) by striking "the section 8
20	and public housing programs" and in-
21	serting "sections 8 and 9";
22	(ii) in subparagraph (D)—
23	(I) by striking "subsection (d)"
24	and inserting "subsection (e)"; and

1	(II) by striking "public housing
2	agency" and inserting "eligible enti-
3	ty'';
4	(iii) in subparagraph (H), by striking
5	"the Job Opportunities and Basic Skills
6	Training Program under part F of title IV
7	of the Social Security Act and"; and
8	(iv) in subparagraph (I), by striking
9	"public housing or section 8" and inserting
10	"section 8 or 9";
11	(10) in subsection (i), as so redesignated by
12	paragraph (3) of this subsection, by striking para-
13	graph (1) and inserting the following new para-
14	graph:
15	"(1) Section 8 fees.—
16	"(A) IN GENERAL.—The Secretary shall
17	establish a fee under section 8(q) for the costs
18	incurred in administering the self-sufficiency
19	program under this section to assist families re-
20	ceiving voucher assistance through section 8(o).
21	"(B) ELIGIBILITY FOR FEE.—The fee shall
22	provide funding for family self-sufficiency coor-
23	dinators as follows:
24	"(i) Base fee.—An eligible entity
25	serving 25 or more participants in the

1	family self-sufficiency program under this
2	section shall receive a fee equal to the
3	costs of employing one full-time family
4	self-sufficiency coordinator. An eligible en-
5	tity serving fewer than 25 such partici-
6	pants shall receive a prorated fee.
7	"(ii) Additional fee.—An eligible
8	entity that meets minimum performance
9	standards shall receive an additional fee
10	sufficient to cover the costs of employing a
11	second family self-sufficiency coordinator if
12	the eligible entity has 75 or more partici-
13	pating families, and a third such coordi-
14	nator if it has 125 or more participating
15	families.
16	"(iii) Previously funded agen-
17	CIES.—A public housing agency that re-
18	ceived funding from the Department of
19	Housing and Urban Development for more
20	than three such coordinators in any of fis-
21	cal years 1999 through 2008 shall receive
22	funding for the highest number of coordi-
23	nators funded in a single fiscal year during
24	that period, provided they meet applicable
25	size and performance standards.

"(iv) Initial year.—For the first	1
year in which an eligible entity exercises its	2
right to develop an family self-sufficiency	3
program for its residents, it shall be enti-	4
tled to funding to cover the costs of up to	5
one family self-sufficiency coordinator,	6
based on the size specified in its action	7
plan for such program.	8
"(v) State and regional agen-	9
O CIES.—For purposes of calculating the	10
family self-sufficiency portion of the ad-	11
2 ministrative fee under this subparagraph,	12
each administratively distinct part of a	13
State or regional eligible entity shall be	14
treated as a separate agency.	15
"(vi) Determination of number	16
OF COORDINATORS.—In determining	17
whether an eligible entity meets a specific	18
threshold for funding pursuant to this	19
paragraph, the number of participants	20
being served by the eligible entity in its	21
family self-sufficiency program shall be	22
considered to be the average number of	23
families enrolled in such eligible entity's	24
program during the course of the most re-	25

1	cent fiscal year for which the Department
2	of Housing and Urban Development has
3	data.
4	"(C) Proration.—If insufficient funds
5	are available in any fiscal year to fund all of the
6	coordinators authorized under this section, the
7	first priority shall be given to funding one coor-
8	dinator at each eligible entity with an existing
9	family self-sufficiency program. The remaining
10	funds shall be prorated based on the number of
11	remaining coordinators to which each eligible
12	entity is entitled under this subparagraph.
13	"(D) RECAPTURE.—Any fees allocated
14	under this subparagraph by the Secretary in a
15	fiscal year that have not been spent by the end
16	of the subsequent fiscal year shall be recaptured
17	by the Secretary and shall be available for pro-
18	viding additional fees pursuant to subparagraph
19	(B)(ii).
20	"(E) Performance standards.—Within
21	six months after the date of the enactment of
22	this paragraph, the Secretary shall publish a
23	proposed rule specifying the performance stand-
24	ards applicable to funding under clauses (ii)
25	and (iii) of subparagraph (B). Such standards

1	shall include requirements applicable to the
2	leveraging of in-kind services and other re-
3	sources to support the goals of the family self-
4	sufficiency program.
5	"(F) Data collection.—Public housing
6	agencies receiving funding under this paragraph
7	shall collect and report to the Secretary, in such
8	manner as the Secretary shall require, informa-
9	tion on the performance of their family self-suf-
10	ficiency programs.
11	"(G) EVALUATION.—The Secretary shall
12	conduct a formal and scientific evaluation of
13	the effectiveness of well-run family self-suffi-
14	ciency programs, using random assignment of
15	participants to the extent practicable. Not later
16	than the expiration of the 4-year period begin-
17	ning upon the enactment of this paragraph, the
18	Secretary shall submit an interim evaluation re-
19	port to the Congress. Not later than the expira-
20	tion of the 8-year period beginning upon such
21	enactment, the Secretary shall submit a final
22	evaluation report to the Congress. There is au-
23	thorized to be appropriated \$10,000,000 to
24	carry out the evaluation under this subpara-
25	graph.

1	"(H) Incentives for innovation and
2	HIGH PERFORMANCE.—The Secretary may re-
3	serve up to 10 percent of the amounts made
4	available for administrative fees under this
5	paragraph to provide support to or reward fam-
6	ily self-sufficiency programs that are particu-
7	larly innovative or highly successful in achieving
8	the goals of the program.".
9	(11) in subsection (j)—
10	(A) by striking "Each public housing agen-
11	cy" and inserting "Each eligible entity";
12	(B) by striking "public housing units in
13	public housing projects administered by the
14	agency" and inserting "units";
15	(C) by inserting "or coordination" before
16	"of supportive services"; and
17	(D) by striking the last sentence;
18	(12) in subsection (k), by striking "public hous-
19	ing agencies" and inserting "eligible entities";
20	(13) by striking subsections (n) and (o);
21	(14) by redesignating subsections (l) and (m) as
22	subsections (m) and (n), respectively;
23	(15) by inserting after subsection (k) the fol-
24	lowing new subsection:

1	"(l) Programs for Tenants in Privately Owned
2	PROPERTIES WITH PROJECT-BASED ASSISTANCE.—
3	"(1) Voluntary provision of program.—
4	The owner of a privately owned property for which
5	project-based assistance is provided may voluntarily
6	make a local Family Self-Sufficiency program avail-
7	able to tenants by entering into a cooperative agree-
8	ment with a local public housing agency that admin-
9	isters a Family Self-Sufficiency program, subject to
10	the following provisions:
11	"(A) A cooperative agreement under this
12	paragraph shall require the public housing
13	agency to open its Family Self-Sufficiency wait-
14	ing list to any eligible family residing in the
15	owner's property who is assisted under section
16	8.
17	"(B) The public housing agency may count
18	any family participating in its Family Self-Suf-
19	ficiency program under this paragraph as part
20	of the calculation of the administrative fee
21	under subsection (i).
22	"(C) The owner of the property shall agree
23	to calculate, track, and upon request of the
24	public housing agency, make available escrow
25	for participating residents, in accordance with

1	subsection (e)(2), residing in units assisted
2	under section 8.
3	"(2) No existing local program option.—
4	If there is no existing local Family Self-Sufficiency
5	program or public housing agency willing and able
6	to enter into a cooperative agreement with the
7	owner, such owner may administer a Family Self-
8	Sufficiency program under this paragraph without
9	being eligible for funding under subsection (i). It
10	such owner administers a program that serves at
11	least 25 participants, such owner shall be eligible for
12	funding under subsection (i) or may fund the pro-
13	gram, including hiring or retaining a service coordi-
14	nator and making contributions into an escrow ac-
15	count for the participating family, from residual re-
16	ceipt accounts for the property.
17	"(3) Exception.—This subsection does not
18	apply to properties assisted under section 8(o)(13)
19	"(4) Suspension.—In any year, the Secretary
20	may suspend the enrollment of new families in pro-
21	grams under this subsection based on a determina-
22	tion that insufficient funding is available for this
23	purpose."; and

1	(16) by amending subsection (m), as so redesig-
2	nated by paragraph (14) of this subsection, to read
3	as follows:
4	"(m) Reports.—Each eligible entity that carries out
5	a local self-sufficiency program approved by the Secretary
6	under this section shall submit to the Secretary, not less
7	than annually, a report regarding the program. The con-
8	tents of the report shall be determined by the Secretary.".
9	(b) Repeal.—Section 202 of the Departments of
10	Veterans Affairs and Housing and Urban Development,
11	and Independent Agencies Appropriations Act, 1997 (42
12	U.S.C. 1437f note; Public Law 104–204; 110 Stat. 2893)
13	is hereby repealed.
14	(c) Effective Date.—The Secretary of Housing
15	and Urban Development shall issue notice to implement
16	the amendments made by this section and such amend-
17	ments shall apply to fiscal year 2012 and fiscal years
18	thereafter.
19	SEC. 8. ENHANCED VOUCHERS.
20	Paragraph (2) of section 8(t) of the United States
21	Housing Act of 1937 (42 U.S.C. 1437f(t)(2)) is amended
22	by adding at the end the following new sentence: "Such
23	term includes the occurrence of the maturity date on a
24	mortgage on a multifamily housing project that, before
25	such maturity date, would have been eligible for enhanced

1	voucher assistance upon prepayment of the mortgage ex-
2	cept that an eligibility date described in the preceding sen-
3	tence did not occur.".
4	SEC. 9. PHA PROJECT-BASED ASSISTANCE.
5	Paragraph (13) of section 8(o) of the United States
6	Housing Act of 1937 (42 U.S.C. 1437f(o)(13)) is amend-
7	ed—
8	(1) by striking subparagraph (F) and inserting
9	the following new subparagraph:
10	"(F) Contract term.—A housing assist-
11	ance payment contract pursuant to this para-
12	graph between a public housing agency and the
13	owner of a project may have a term of up to
14	20 years, subject to—
15	"(i) the availability of sufficient ap-
16	propriated funds for the purpose of renew-
17	ing expiring contracts for assistance pay-
18	ments, as provided in appropriation Acts
19	and in the agency's annual contributions
20	contract with the Secretary, provided that
21	in the event of insufficient appropriated
22	funds, payments due under contracts
23	under this paragraph shall take priority if
24	other cost-saving measures that do not re-

1	quire the termination of an existing con-
2	tract are available to the agency; and
3	"(ii) compliance with the inspection
4	requirements under paragraph (8), except
5	that the Secretary may modify the applica-
6	tion of paragraph (8) to properties assisted
7	under this paragraph, through actions in-
8	cluding permitting inspection of a sample
9	of dwelling units in a project, avoiding du-
10	plicative requirements, and incentivizing
11	high performance.
12	The contract may specify additional conditions,
13	including with respect to continuation, termi-
14	nation, or expiration."; and
15	(2) in subparagraph (G), by striking "15 years"
16	and inserting "20 years".
17	SEC. 10. ESTABLISHMENT OF FAIR MARKET RENT.
18	(a) In General.—Paragraph (1) of section 8(c) of
19	the United States Housing Act of 1937 (42 U.S.C.
20	1437f(c)(1)) is amended—
21	(1) by inserting "(A)" after the paragraph des-
22	ignation;
23	(2) by striking the fourth, seventh, eighth, and
24	ninth sentences; and
25	(3) by adding at the end the following:

1	"(B) Fair market rentals for an area shall be pub-
2	lished not less than annually by the Secretary on the site
3	of the Department on the World Wide Web and in any
4	other manner specified by the Secretary. Notice that such
5	fair market rentals are being published shall be published
6	in the Federal Register, and such fair market rentals shall
7	become effective no earlier than 30 days after the date
8	of such publication. The Secretary shall establish a proce-
9	dure for public housing agencies and other interested par-
10	ties to comment on such fair market rentals and to re-
11	quest, within a time specified by the Secretary, reevalua-
12	tion of the fair market rental in a jurisdiction. The Sec-
13	retary shall cause to be published for comment in the Fed-
14	eral Register notices of proposed material changes in the
15	methodology for estimating fair market rentals and no-
16	tices specifying the final decisions regarding such pro-
17	posed substantial methodological changes and responses to
18	public comments.".
19	(b) PAYMENT STANDARD.—Subparagraph (B) of sec-
20	tion 8(o)(1) of the United States Housing Act of 1937
21	(42 U.S.C. 1437f(o)(1)(B)) is amended by inserting be-
22	fore the period at the end the following: ", except that
23	no public housing agency shall be required as a result of
24	a reduction in the fair market rental to reduce the pay-
25	ment standard applied to a family continuing to reside in

1	a unit for which the family was receiving assistance under
2	this section at the time the fair market rental was reduced.
3	The Secretary shall allow public housing agencies to re-
4	quest exception payment standards within fair market
5	rental areas subject to criteria and procedures established
6	by the Secretary".
7	(c) Effective Date.—The amendments made by
8	this section shall take effect upon the date of the enact-
9	ment of this Act.
10	SEC. 11. SCREENING OF APPLICANTS.
11	(a) In General.—Subparagraph (B) of section
12	8(o)(6) of the United States Housing Act of 1937
13	(1437f(o)(6)(B)) is amended—
14	(1) by striking "(B) Selection of Ten-
15	ANTS.—Each" and inserting the following:
16	"(B) Selection of Tenants.—
17	"(i) Function of owner.—Each";
18	(2) in the first sentence, by striking "unit"
19	and inserting "unit";
20	(3) by striking "In addition" and inserting the
21	following:
22	"(ii) Screening.—In addition";
23	(4) by inserting after "establish." the following:
24	"A public housing agency's elective screening shall
25	be limited to criteria that are directly related to an

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

1	lies receiving assistance under this Act
2	that are subsequently provided tenant-
3	based assistance pursuant to subsection
4	(dd)(1)(B), and families residing in multi-
5	family housing subject to a mortgage in-
6	sured under the National Housing Act that
7	are provided tenant-based assistance pur-
8	suant to subsection $(dd)(1)(B)(xiv)$ of this
9	section shall not be considered new appli-
10	cants under this paragraph and shall not
11	be subject to elective re-screening by a
12	public housing agency.".
13	(b) Leases and Tenancy.—Subparagraph (E) of
14	section 8(o)(7) of the United States Housing Act of 1937
15	(42 U.S.C. $1437f(o)(7)(E)$) is amended by inserting "ter-
16	mination or" after "any" the last place such term appears.
17	(c) Removal of Sex Offenders.—Section 578 of
18	the Quality Housing and Work Responsibility Act of 1998
19	(42 U.S.C. 13663) is amended by striking subsection (a)
20	and inserting the following new subsection:
21	"(a) In General.—Notwithstanding any other pro-
22	vision of law, an owner of federally assisted housing—
23	"(1) shall prohibit admission to such housing
24	for any household that includes an individual who is

1	subject to a lifetime registration requirement under
2	a State sex offender registration program; and
3	"(2) shall terminate assistance to, and any
4	lease or right to occupancy of such housing by, any
5	household that includes any individual who is subject
6	to a lifetime registration requirement under a State
7	sex offender registration program.".
8	SEC. 12. UTILITY DATA.
9	Section 8(o) of the United States Housing Act of
10	1937 (42 U.S.C. 1437f(o), as amended by the preceding
11	provisions of this Act, is further amended by adding at
12	the end the following new paragraph:
13	"(22) Utility data.—
14	"(A) Publication.—The Secretary shall,
15	to the extent that data can be collected cost ef-
16	fectively, regularly publish such data regarding
17	utility consumption and costs in local areas as
18	the Secretary determines will be useful for the
19	establishment of allowances for tenant-paid util-
20	ities for families assisted under this subsection.
21	"(B) USE OF DATA.—The Secretary shall
22	provide such data in a manner that—
23	"(i) avoids unnecessary administrative
24	burdens for public housing agencies; and

1	"(ii) protects families in various unit
2	sizes and building types, and using various
3	utilities, from high rent and utility cost
4	burdens relative to income.".
5	SEC. 13. ACCESS TO HUD PROGRAMS FOR PERSONS WITH
6	LIMITED ENGLISH PROFICIENCY.
7	(a) HUD RESPONSIBILITIES.—To allow the Depart-
8	ment of Housing and Urban Development to better serve
9	persons with limited proficiency in the English language
10	by providing technical assistance to recipients of Federal
11	funds, the Secretary of Housing and Urban Development
12	shall take the following actions:
13	(1) Task force.—Within 90 days after the en-
14	actment of this Act, convene a task force comprised
15	of appropriate industry groups, recipients of funds
16	from the Department of Housing and Urban Devel-
17	opment (in this section referred to as the "Depart-
18	ment"), community-based organizations that serve
19	individuals with limited English proficiency, civil
20	rights groups, and stakeholders, which shall periodi-
21	cally identify a list of vital documents, including De-
22	partment and certain property and other documents,
23	to be competently translated to improve access to
24	federally conducted and federally assisted programs
25	and activities for individuals with limited English

1	proficiency. Such lists shall identify priorities per-
2	taining to translation of such vital documents, con-
3	sistent with the Department's Guidance to Federal
4	Financial Assistance Recipients Regarding Title VI
5	Prohibition Against National Origin Discrimination
6	Affecting Limited English Proficient Persons. The
7	task force shall meet not less frequently than twice
8	per year.
9	(2) Translations.—Within 6 months after
10	identification of documents pursuant to paragraph
11	(1), produce translations of such documents in lan-
12	guages identified by the task force, in coordination
13	with the Department, and make such translations
14	available as part of the library of forms available on
15	the website of the Department and as part of the
16	clearinghouse developed pursuant to paragraph (4).
17	(3) Plan.—Develop and carry out a plan that
18	includes providing resources of the Department to
19	assist recipients of Federal funds to improve access
20	to programs and activities for individuals with lim-
21	ited English proficiency, which plan shall include the
22	elements described in paragraph (4).
23	(4) Housing information resource cen-
24	TER.—Develop and maintain a housing information
25	resource center to facilitate the provision of lan-

1	guage services by recipients of funds of the Depart-
2	ment to individuals with limited English proficiency.
3	Information provided by such center shall be made
4	available in printed form and through the Internet.
5	The resources provided by the center shall include
6	the following:
7	(A) Translation of written mate-
8	RIALS.—The center may provide, directly or
9	through contract, translations of vital docu-
10	ments from competent translation services for
11	recipients of funds of the Department.
12	(B) Interpretation services tele-
13	PHONE LINE.—
14	(i) Requirement.—The center shall
15	provide a 24-hour interpretation services
16	telephone line, by which recipients of funds
17	of the Department and individuals with
18	limited English proficiency can jointly ac-
19	cess such line in order to receive interpre-
20	tation services with respect to housing ac-
21	cess and receipt of assistance under pro-
22	grams funded by the Department. Such
23	telephone line shall supplement resources
24	in the community identified by the plan
25	pursuant to paragraph (3).

[Discussion Draft]

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

1	(C) DOCUMENT CLEARINGHOUSE.—The
2	center shall collect and evaluate for accuracy or
3	develop, and make available, templates and doc-
4	uments that are necessary for consumers, rel-
5	evant industry representatives, and other stake-
6	holders of the Department, to access, make
7	educated decisions, and communicate effectively
8	about their housing, including—
9	(i) administrative and property docu-
10	ments;
11	(ii) legally binding documents;
12	(iii) consumer education and outreach
13	materials;
14	(iv) documents regarding rights and
15	responsibilities of any party; and
16	(v) remedies available to consumers.
17	(D) STUDY OF LANGUAGE ASSISTANCE
18	PROGRAMS.—Not later than 18 months after
19	the date of the enactment of this Act, the cen-
20	ter shall submit a report to the Committee on
21	Financial Services of the House of Representa-
22	tives and the Committee on Banking, Housing,
23	and Urban Affairs of the Senate, which shall
24	provide recommendations for implementation of
25	best practices models that promote culturally

1	appropriate language assistance and strategies
2	to improve language services for individuals
3	with limited English proficiency. Such report
4	shall be specific to programs of the Depart-
5	ment, and information and templates shall be
6	made available to all recipients of grants from
7	the Department.
8	(b) Authorization of Appropriations.—There
9	are authorized to be appropriated \$5,000,000 for each of
10	fiscal years 2012 through 2016 for the cost of carrying
11	out activities authorized under this section.
12	(c) Report.—Not later than the expiration of the
13	12-month period beginning on the date of the enactment
14	of this Act, and annually thereafter, the Secretary of
15	Housing and Urban Development shall submit a report
16	regarding its compliance with the requirements under sub-
17	section (a) to the Committee on Financial Services of the
18	House of Representatives and the Committee on Banking,
19	Housing, and Urban Affairs of the Senate.
20	(d) Savings Clause.—Nothing in this section shall
21	be construed as to limit the meaning or applicability of
22	title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d
23	et seq.), executive orders, or of lawfully promulgated rules,
24	regulations, guidance, or orders of general applicability
25	issued by the Department to effectuate such title VI.

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1 SEC. 14. EXTENSION OF MARK-TO-MARKET PROGRAM.

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