To transform neighborhoods of extreme poverty by reforming the public housing demolition and disposition rules to require one-for-one replacement and tenant protections, and to provide public housing agencies with additional resources and flexibility to preserve public housing units, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

To transform neighborhoods of extreme poverty by reforming the public housing demolition and disposition rules to require one-for-one replacement and tenant protections, and to provide public housing agencies with additional resources and flexibility to preserve public housing units, and for other purposes.

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.

4 This Act may be cited as the “The Public Housing

5 Tenant Protection Act of 2020”.
TITLE I—PUBLIC HOUSING ONE-FOR-ONE REPLACEMENT AND TENANT PROTECTION

SEC. 101. SHORT TITLE.

This title may be cited as the “Public Housing One-for-One Replacement and Tenant Protection Act of 2017”.

SEC. 102. DEMOLITION AND DISPOSITION OF PUBLIC HOUSING.

(a) Amendments to Section 18.—Section 18 of the United States Housing Act of 1937 (42 U.S.C. 1437p) is amended—

(1) by redesignating subsections (a) through (h) as subsections (b) through (i), respectively;

(2) by inserting before subsection (b) (as so redesignated by paragraph (1) of this subsection) the following new subsection:

“(a) Applicability.—Notwithstanding any other provision of law, this section shall apply to—

“(1) demolition, disposition, or demolition or disposition or both pursuant to conversion under section 22 or 33 of any public housing unit; and

“(2) the taking of public housing units, directly or indirectly, through the use of eminent domain.”;
(3) in subsection (b) (as so redesignated by paragraph (1) of this subsection)—

(A) in the matter preceding paragraph (1)—

(i) by striking “subsection (b)” and inserting “subsection (c)”;

(ii) by striking “if the public housing agency certifies” and inserting “only if the Secretary determines that”;

(B) in paragraph (2)(A)(ii), by striking “low-income housing” and inserting “housing for low-income, very-low income, and extremely low-income families consistent with the needs identified pursuant to section 5A(d)(1) in the public housing agency plan for the agency and with targeting requirements under section 16(a) for public housing”;

(C) by striking paragraph (4);

(D) in paragraph (5)(B)(ii), by striking “and” at the end;

(E) in paragraph (6), by striking “subsection (c)” and inserting “subsection (d)”;

(F) by redesignating paragraphs (5) and (6) as paragraphs (4) and (5), respectively; and
(G) by inserting after paragraph (5) (as so redesignated) the following new paragraph:

“(6) that the public housing agency has obtained from each resident information pursuant to subsection (f)(3)(B) and has established a replacement housing preference for each such resident.”;

(4) in subsection (e) (as so redesignated by paragraph (1) of this subsection)—

(A) in the matter preceding paragraph (1), by striking “subsection (a)” and inserting “subsection (b)”;

(B) in paragraph (1), by striking “or” at the end;

(C) in paragraph (2)(C), by striking the period at the end and inserting a semicolon; and

(D) by adding at the end the following new paragraphs:

“(3) the application does not provide for the active involvement and participation of, and consultation with, residents, resident advisory boards, and resident councils of the public housing development that is subject to the application during the planning and implementation of the plan for demolition, relocation, and replacement of the units;
“(4) the proposed relocation, demolition, disposition, demolition or disposition or both pursuant to conversion under section 22 or 33, or the provision of replacement housing will not be carried out in a manner that affirmatively furthers fair housing, as described in section 808(e) of the Civil Rights Act of 1968 (42 U.S.C. 3608(e)), or that the measures proposed by the public housing agency to mitigate potential adverse impacts of the proposed relocation, demolition, disposition, demolition or disposition or both pursuant to conversion under section 22 or 33, or the provision of replacement housing on persons protected by section 804 of the Civil Rights Act of 1968 (42 U.S.C. 3604), are clearly insufficient or inappropriate; or

“(5) the proposed plan for relocation, demolition, disposition, demolition or disposition or both subsequent to conversion pursuant to section 22 or 33, or the provision of replacement housing does not—

“(A) comply with the requirements of subsection (e) of this section;

“(B) include such certifications as the Secretary shall require of compliance with the requirements of subsection (f)(3); or
“(C) include a relocation plan that meets the requirements of subsection (h)(2).”;

(5) by striking subsection (e) (as so redesignated by paragraph (1) of this subsection) and inserting the following new subsection:

“(e) REPLACEMENT UNITS.—

“(1) REQUIREMENT TO REPLACE OR MAINTAIN EACH UNIT.—

“(A) REPLACEMENT.—Except for demolition pursuant to subsection (g) or as provided in paragraph (2) of this subsection, each public housing dwelling unit that undergoes demolition, disposition, or demolition or disposition or both pursuant to conversion under section 22 or 33, or that is the subject of a taking, directly or indirectly, through the use of eminent domain, after the date of the enactment of the Public Housing Tenant Protection and Reinvestment Act of 2017, shall be replaced with a newly constructed, rehabilitated, acquired, or converted rental unit that complies with all of the requirements of this subsection.

“(B) REQUIREMENTS APPLICABLE TO REPLACEMENT UNITS.—Such replacement or converted units shall be subject to the same re-
requirements regarding eligibility for occupancy (including income eligibility), tenant contribution toward rent (including tenant authority to select rental payment determination method), eviction protections and procedures, and affordability restrictions that are applicable to public housing dwelling units. Such requirements shall not terminate unless units are replaced with a comparable number of units that are subject to the same requirements.

“(C) Tenant protection vouchers to replace demolished, disposed of, or converted units on one-for-one basis.—Subject only to the availability of amounts provided in appropriation Acts, the Secretary shall provide replacement vouchers for rental assistance under section 8 for all dwelling units in projects that are demolished or disposed of pursuant to this section or converted pursuant to section 22 or 33.

“(D) Inapplicability of certain project-based voucher requirements.—Subparagraphs (B) and (D) of section 8(o)(13) of the United States Housing Act of 1936 (relating to percentage limitation and income mix-
ing requirement of project-based assistance) shall not apply with respect to vouchers used to comply with the requirements of this paragraph.

“(2) Waiver.—The requirement under paragraph (1) may be waived by the Secretary with respect to up to 10 percent of the total number of public housing units owned by a public housing agency in any 10-year period, if—

“(A) a judgment, consent decree, or other order of a court limits the ability of the applicant to comply with such requirements; or

“(B) the public housing agency demonstrates that there is an excess supply of affordable rental housing in areas of low poverty and provides data showing that, in the area surrounding the project or projects in which such units are located—

“(i) at least 90 percent of vouchers issued under section 8(o) of the United States Housing Act of 1937 over the last 24 months to comparable families were successfully used to lease a dwelling unit within 120 days of issuance or, if a sufficient number of comparable families have
not received vouchers, an alternative measure, as the Secretary shall design, is met;

“(ii) existing voucher holders are widely dispersed geographically in areas of low poverty with access to public transportation, education, and other amenities, as determined by the Secretary, among the available private rental housing stock; and

“(iii) the applicant provides a market analysis demonstrating that—

“(I) there is a relatively high vacancy rate among units that would meet or exceed housing quality standards, as determined by the Secretary, within the market area with rent and utility costs not exceeding the applicable payment standard under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)); and

“(II) such high vacancy rate within the market area is expected to continue for the next 5 years or longer.

“(3) CONTINUATION OF USE RESTRICTIONS.—

In the event of a foreclosure or bankruptcy of an
owner of such a property, notwithstanding any other provision of State or Federal law, such property shall remain subject to the requirements of any project-based rental assistance contract in existence at the time of the foreclosure or bankruptcy, the lease between the prior owner and tenants assisted under such contract, and any use agreement in effect immediately before the foreclosure or bankruptcy filing, and a successor in interest in such property shall assume such contract, extensions, leases, and use agreement obligations, provided that the Secretary may modify this requirement if the Secretary determines that the converted units are not physically viable.

“(4) OTHER REQUIREMENTS.—Admission to, administration of, and eviction from replacement housing units that are not public housing dwelling units shall be subject to the following provisions to the same extent as public housing dwelling units:

“(A) Section 578 of the Quality Housing and Work Responsibility Act of 1998 (42 U.S.C. 13663; relating to ineligibility of dangerous sex offenders).
“(B) Section 16(f) of the United States Housing Act of 1937 (42 U.S.C. 1437n(f); relating to ineligibility of certain drug offenders).

“(C) Sections 20 and 21 of the United States Housing Act of 1937 (42 U.S.C. 1437r, 1437s; relating to resident management).

“(D) Section 25 of the United States Housing Act of 1937 (42 U.S.C. 1437w; relating to transfer of management at request of residents).

“(E) Section 6(k) of the United States Housing Act of 1937 (42 U.S.C. 1437d(k); relating to administrative grievance procedure).

“(F) Section 6(f) of the United States Housing Act of 1937 (42 U.S.C. 1437d(f); relating to housing quality requirements).


“(5) RETENTION OF RIGHTS.—Tenants occupying a replacement housing unit shall have all rights provided to tenants of public housing under this Act.

“(6) SIZE.—
“(A) IN GENERAL.—Replacement units shall be of comparable size, unless a market analysis shows a need for other sized units, in which case such need shall be addressed.

“(B) BEDROOMS.—The number of bedrooms within each replacement unit shall be sufficient to serve families displaced as a result of the demolition or disposition.

“(7) LOCATION ON SITE AND IN NEIGHBORHOOD.—

“(A) ON-SITE REQUIREMENT RELATING TO DEMOLITION.—Subject to subparagraph (B), at least one-third of all replacement units for public housing units demolished shall be public housing units constructed on the original public housing location, unless the Secretary determines that—

“(i) construction on such location would result in the violation of a consent decree; or

“(ii) the land on which the public housing is located is environmentally unsafe or geologically unstable.

“(B) TENANT CHOICE.—A public housing agency shall ensure that, in providing replace-
ment units pursuant to paragraph (1), suffi-
cient units are provided on the original location
of any public housing demolished or in the same
neighborhood of the public housing dwelling
units being replaced to accommodate all tenants
residing in the units demolished or disposed of
at the time of such demolition or disposition
who elect to remain in such location or neigh-
borhood.”;

(6) in subsection (f) (as so redesignated by
paragraph (1) of this subsection)—

(A) by striking the subsection designation
and all that follow through “Nothing” and in-
serting the following:

“(f) Treatment of Occupancy.—

“(1) Consolidation of Occupancy within
or among buildings.—Nothing”;

(B) by inserting before the period at the
end the following: “, except that, a public hous-
ing agency submitting an application for demo-
lition or disposition pursuant to this section
may not consolidate any units during the period
that begins upon submission of such application
and ends upon approval of the application by
the Secretary, except in cases of an imminent
and substantial threat to health or safety’’; and

(C) by adding at the end the following new
paragraphs:

“(2) DETERMINATION OF OCCUPANCY.—For
purposes of this subsection, the number of public
housing residents residing in a development shall be
determined as of the date the initial public housing
agency plan or a proposed amendment thereto indic-
ating an intent to apply for a demolition application
pursuant to subsection (b) of this section is or
should have been presented to the resident advisory
board for consideration, or in the case of a demoli-
tion application due to a natural disaster, on the
date of the natural disaster.

“(3) RESIDENT PREFERENCES.—A public hous-
ing agency shall, not later than 90 days before sub-
mitting an application to the Secretary for demoli-
tion, disposition, or demolition or disposition or both
pursuant to conversion under section 22 or 33—

“(A) meet with and inform in writing all
residents who occupied a public housing unit on
the date determined in accordance with para-
graph (2) of this subsection of—
“(i) the public housing agency’s intent to submit an application for demolition, disposition, or both;

“(ii) their right to return and relocation housing options; and

“(iii) all planned replacement housing units; and

“(B) solicit from each resident information regarding the resident’s desire to return to the replacement housing units constructed upon the original public housing location or in the same neighborhood, interest in moving to other neighborhoods or communities, or interest in retaining a voucher for rental assistance.”; and

(7) by striking subsection (h) (as so redesignated by paragraph (1) of this subsection) and inserting the following new subsection:

“(h) RELOCATION, NOTICE, APPLICATION FOR VOUCHERS, AND DATA.—In the case of all relocation activities resulting from, or that will result from, demolition, disposition, or demolition or disposition or both pursuant to conversion under section 22 or 33 of this Act, of public housing dwelling units:

“(1) UNIFORM RELOCATION AND REAL PROPERTY ACQUISITION ACT.—The Uniform Relocation
and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.) shall apply. To the extent the provisions of this subsection and such Act conflict, the provisions that provide greater protection to residents displaced by the demolition, disposition, or demolition and disposition, shall apply.

“(2) RELOCATION PLAN.—The public housing agency shall submit to the Secretary, together with the application for demolition or disposition, a relocation plan providing for the relocation of residents occupying the public housing for which the demolition or disposition application is proposed, which shall include—

“(A) a statement of the estimated number of vouchers for rental assistance under section 8 that will be needed for such relocation;

“(B) identification of the location of the replacement dwelling units that will be made available for permanent occupancy; and

“(C) a statement of whether any temporary, off-site relocation of any residents is necessary and a description of the plans for such relocation.

“(3) NOTICE UPON APPROVAL OF APPLICATION.—Within a reasonable time after notice to the
public housing agency of the approval of an application for demolition or disposition, the public housing agency shall provide notice in writing, in plain and non-technical language, to the residents of the public housing subject to the approved application that—

“(A) states that the application has been approved;

“(B) describes the process involved to relocate the residents, including a statement that the residents may not be relocated until the conditions set forth in paragraph (10) have been met;

“(C) provides information regarding relocation options;

“(D) advises residents of the availability of relocation counseling as required in paragraph (8); and

“(E) provides information on the location of tenant-based vouchers issued by the agency.

“(4) NOTICE BEFORE RELOCATION.—Except in cases of a substantial and imminent threat to health or safety, not later than 90 days before the date on which residents will be relocated, the public housing agency shall provide notice in writing, in plain and non-technical language, to each family residing in a
public housing project that is subject to an approved demolition or disposition application, and in accordance with such guidelines as the Secretary may issue governing such notifications, that—

“(A) the public housing project will be demolished or disposed of;

“(B) the demolition of the building in which the family resides will not commence until each resident of the building is relocated; and

“(C) if temporary, off-site relocation is necessary, each family displaced by such action shall be offered comparable housing—

“(i) that meets housing quality standards;

“(ii) that is located in an area that is generally not less desirable than the location of the displaced family’s housing, which shall include at least one unit located in an area of low poverty and one unit located within the neighborhood of the original public housing site;

“(iii) that is identified and available to the family; and

“(iv) which shall include—
“(I) tenant-based assistance, except that the requirement under this subparagraph regarding offering of comparable housing shall be fulfilled by use of tenant-based assistance only upon the relocation of the family into such housing;

“(II) project-based assistance;

“(III) occupancy in a unit operated or assisted by the public housing agency at a rental rate paid by the family that is comparable to the rental rate applicable to the unit from which the family is relocated; and

“(IV) other comparable housing.

“(5) SEARCH PERIOD.—Notwithstanding any other provision of law, in the case of a household that is provided tenant-based assistance for relocation of the household under this section, the period during which the household may lease a dwelling unit using such assistance shall not be shorter in duration than the 150-day period that begins at the time a comparable replacement unit is made available to the family. If the household is unable to lease a dwelling unit using such assistance during such
period, the public housing agency shall extend the period during which the household may lease a dwelling unit using such assistance, or at the tenant’s request, shall provide the tenant with the next available comparable public housing unit or comparable housing unit for which project-based assistance is provided.

“(6) Payment of relocation expenses.—The public housing agency shall provide for the payment of the actual and reasonable relocation expenses, including security deposits, of each resident to be displaced and any other relocation expenses as are required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

“(7) Comparable housing.—The public housing agency shall ensure that each displaced resident is offered comparable housing in accordance with the notice under paragraph (4).

“(8) Comprehensive relocation counseling.—The public housing agency shall provide all advisory programs and services as required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and counseling for residents who are displaced that shall fully inform residents to be displaced of all relocation op-
tions, which may include relocating to housing in a neighborhood with a lower concentration of poverty than their current residence, a neighborhood where relocation will not increase racial segregation, or remaining in the current neighborhood. Such counseling shall also include providing school options for children and comprehensive housing search assistance for household that receive a voucher for tenant-based assistance.

“(9) TIMING OF DEMOLITION OR DISPOSITION.—The public housing agency shall not commence demolition or complete disposition of a building subject to the approved application until all residents residing in the building are relocated.

“(10) AFFIRMATIVE FURTHERANCE OF FAIR HOUSING.—The public housing agency shall have obtained data regarding, and analyzed the potential impact of, the proposed demolition or disposition and relocation on persons protected by section 804 of the Civil Rights Act of 1968 (42 U.S.C. 3604), including the tenants residing in the public housing project, occupants of the surrounding neighborhood, and neighborhoods into which project tenants are likely to be relocated, and persons on the agency’s waiting list, has described in the application for
demolition or disposition actions that the public
housing agency has taken or will take to mitigate
those adverse impacts, and has certified in the pub-
lic housing agency plan for the agency, with sup-
porting information, that the proposed demolition or
disposition, relocation, or replacement housing will
be carried out in a manner that affirmatively fur-
thers fair housing, as described in section 808(e) of
the Civil Rights Act of 1968 (42 U.S.C. 3608(e)).

“(11) TIMING OF RELOCATION.—The public
housing agency shall not commence relocation prior
to approval by the Secretary of the application for
demolition or disposition, except in the case of a
substantial and imminent threat to health or safety.

“(12) APPLICATION FOR VOUCHERS.—The pub-
lic housing agency shall submit to the Secretary an
application for vouchers consistent with the obliga-
tions in subsection (e) (relating to replacement
units) and the relocation obligations of this sub-
section at the same time that the agency submits the
application for demolition or disposition.”;

(8) in subsection (i) (as so redesignated by
paragraph (1) of this subsection), by striking “may”
and inserting “shall”; and
(9) by adding at the end the following new subsections:

“(j) RIGHT OF RETURN.—

“(1) RIGHT.—Any person who, on the date determined in accordance with subsection (f)(2), occupies a public housing unit that is the subject of an application for demolition, disposition, or demolition or disposition or both subsequent to conversion pursuant to section 22 or 33, and whose tenancy or right of occupancy has not been validly terminated pursuant to section 6 or 8(o), shall be eligible to occupy a replacement federally assisted housing unit or voucher.

“(2) REQUIREMENT TO ALLOW RETURN.—A public housing agency or any other manager of replacement housing units shall not, through the application of any additional eligibility, screening, occupancy, or other policy or practice, prevent any person otherwise eligible under paragraph (1) from occupying a replacement housing unit. Such replacement dwelling unit shall be made available to each household displaced as a result of a demolition, disposition, or demolition or disposition or both pursuant to conversion under section 22 or 33 before any
replacement dwelling unit is made available to any
other eligible household.

“(k) ENFORCEMENT.—Any affected person shall
have the right to enforce this section pursuant to section
1979 of the Revised Statutes of the United States (42
U.S.C. 1983). Nothing in this section may be construed
to limit the rights and remedies available under State or
local law to any affected person.”.

(b) EFFECTIVE DATE.—The amendments made by
subsection (a) shall take effect upon the date of the enact-
ment of this Act and shall apply to any demolition, disposi-
tion, or demolition and disposition, or both pursuant to
conversion under section 22 or 33 of the United States
Housing Act of 1937 (42 U.S.C. 1437t, 1437z–5) that
is approved by the Secretary after such date of the enact-
ment.

SEC. 103. AUTHORITY TO CONVERT PUBLIC HOUSING TO
VOUCHERS.

Section 22 of the United States Housing Act of 1937
(42 U.S.C. 1437t) is amended—

(1) in subsection (b), by striking paragraph (3);

(2) by adding at the end the following new sub-
section:

“(g) ADMINISTRATION.—
“(1) IN GENERAL.—The Secretary may require a public housing agency to provide to the Secretary or to public housing residents such information as the Secretary considers to be necessary for the administration of this section.

“(2) APPLICABILITY OF SECTION 18.—Section 18 shall apply to the subsequent demolition or disposition of public housing dwelling units removed from the inventory of the public housing agency pursuant to this section.”; and

(3) in subsection (d)(5), by striking “section 18(a)(5)” and inserting “section 18(b)(5)”.

SEC. 104. REQUIRED CONVERSION OF DISTRESSED PUBLIC HOUSING TO TENANT-BASED ASSISTANCE.

Section 33(h)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437z–5(h)(2)) is amended by striking “shall not apply to the demolition of public housing projects” and inserting “shall apply to the subsequent demolition or disposition of public housing dwelling units”.

SEC. 105. LIMITATION OF PUBLIC HOUSING DWELLING UNITS.

Notwithstanding any other provision of law, section 85.31 of the regulations of the Secretary of Housing and Urban Development (24 C.F.R. 85.31) and any regulations implementing subpart B of part 970 of the Sec-
retary’s proposed regulations published in the Federal Register on October 16, 2014 (79 Fed. Reg. 62250; Docket No. FR–5399–P–01) or any substantially similar regulations shall not apply to real property that includes any dwelling units in public housing.

SEC. 106. REGULATIONS.

Not later than the expiration of the 120-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall issue regulations to carry out this title and the amendments made by this title.

TITLE II—PUBLIC HOUSING PRESERVATION AND REHABILITATION

SEC. 201. LEVERAGING OF OTHER ASSISTANCE.

(a) CAPITAL FUND LOAN GUARANTEES.—Subsection (d) of section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g(d)) is amended by adding at the end the following new paragraph:

“(4) LOAN GUARANTEES.—

“(A) AUTHORITY.—The Secretary may, upon such terms and conditions as the Secretary may prescribe, guarantee and make commitments to guarantee notes or other obliga-
tions issued by public housing agencies for the purposes of financing—

“(i) the rehabilitation of public housing owned by the agency;

“(ii) the modernization, through energy efficiency improvements, of public housing units owned by the agency; or

“(iii) the construction, rehabilitation, purchase, or conversion of units to replace public housing units that are demolished or disposed of pursuant to section 18 or converted pursuant to section 22 or 33.

“(B) TERMS.—Notes or other obligations guaranteed pursuant to this paragraph shall be in such form and denominations, have such maturities, and be subject to such conditions as may be prescribed by regulations issued by the Secretary. The term of such loan guarantee shall not exceed 20 years.

“(C) LIMITATION ON PERCENTAGE.—A guarantee made pursuant to this paragraph shall guarantee repayment of 95 percent of the unpaid principal and interest due on the notes or other obligations guaranteed.
“(D) USE OF CAPITAL AND OPERATING FUNDS.—Funds allocated to an issuer pursuant to this subsection or subsection (e) may be used for payment of principal and interest due (including such servicing, underwriting, or other costs as may be specified in regulations of the Secretary) on notes or other obligations guaranteed pursuant to this paragraph.

“(E) REPAYMENT.—

“(i) CONTRACT; PLEDGE.—To ensure the repayment of notes or other obligations guaranteed under this paragraph and charges incurred under this paragraph and as a condition for receiving such guarantees, the Secretary shall require the issuer of any such note or obligation to—

“(I) enter into a contract, in a form acceptable to the Secretary, for repayment of notes or other obligations so guaranteed; and

“(II) pledge any grant or allocation for which the issuer is or may become eligible under this subsection or subsection (e) for the repayment of
notes or other obligations so guaranteed.

“(ii) CREDITING OF GRANTS.—The Secretary may, notwithstanding any other provision of this Act, apply grants pledged pursuant to clause (i)(II) of this subparagraph to any repayments due the United States as a result of such guarantees.

“(F) FULL FAITH AND CREDIT.—The full faith and credit of the United States is pledged to the payment of all guarantees made under this paragraph. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligations for such guarantee with respect to principal and interest, and the validity of any such guarantee so made shall be incontestable in the hands of a holder of the guaranteed obligations.

“(G) AMOUNT.—Subject only to the absence of qualified requests for guarantees and to the availability of amounts to cover the costs (as such term is defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)), as are provided in advance in appropriation Acts, the Secretary shall enter into
commitments to guarantee notes and obligations under this paragraph having an aggregate principal amount of $500,000,000 each for fiscal years 2021, 2022, and 2023.”.

(b) Requirements for Properties with Housing Tax Credits.—Section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g) is amended by adding at the end the following new subsection:

“(p) Requirements for Properties with Housing Tax Credits.—A public housing agency that utilizes tax credits under section 42 of the Internal Revenue Code of 1986 for rental housing units that are currently or formerly assisted under subsection (d) or (e) of this section, or under section 39 or 40 of this Act, shall ensure, with respect to such units, that—

“(1) all significant tenant and applicants rights are continued and enforceable;

“(2) the agency retains its interest in the property, including through the use of a ground lease;

“(3) the agency maintains an active role in property management decisions and operations of such housing sufficient to guarantee access to relevant information and public accountability;
“(4) long-term affordability protections are enforced, including such protections applicable in the event of default or foreclosure; and

“(5) affected tenants are provided information about the proposal for use of the property, before submission of the proposal to the Secretary, and an opportunity to comment on such proposal, pursuant to processes and requirements that are substantially similar to the requirements for tenant notice and comment under section 18, except that in the case of rental housing units that are currently assisted under section 39 or 40, the requirements of the program under such section, as applicable, shall apply.”.

SEC. 202. CAPITAL FUND FLEXIBILITY.

Subsection (g) of section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g(g)) is amended by striking paragraph (3).