AMENDMENT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE TO THE COMMITTEE PRINT

OFFERED BY MR. TIMMONS OF SOUTH CAROLINA

[Budget Reconciliation]

At the end of section 40001, add the following:

(c) MAINTENANCE OF PUBLIC HOUSING.—

(1) ENFORCEMENT OF HOUSING STANDARDS.—

For any public housing agency receiving grants from amounts provided under this section, if the Secretary determines, upon any inspection or public housing agency management review for any public housing project, that there are serious violations of housing quality standards that are not corrected after reasonable notice, or any other substantial or repeated violations of other program requirements, including residents’ right to organize, the Secretary may take one or more of the following actions in addition to other remedies allowed:

(A) Withhold all or part of the assistance under section 9 for the project.

(B) Withhold any rent increases for the project otherwise due.
(C) Assume possession and management of the project and take any actions necessary to correct the violations, including using such withheld payments to effectuate repairs or to reimburse others who make repairs.

(D) Use such withheld payments to pay for utilities and other services that are the responsibility of the public housing agency under the lease or applicable law.

(2) Escrow of tenant rents.—

(A) Withholding of rent.—If the Secretary determines, pursuant to paragraph (1), that there are serious violations of housing quality standards applicable to any public housing project, including a failed physical inspection score, an unsatisfactory management and occupancy review score, or a notice of violation of right to organize regulations under part 964 of title 24, Code of Federal Regulations, any tenants of the project may withhold the tenant contribution toward rent and pay such amount, when due, into an escrow fund in accordance with procedures established by the Secretary. If a tenant withholds the tenant contribution toward rent in accordance with this paragraph,
the Secretary shall withhold all or part of the assistance for the project under section 9 with respect to the unit until the violations are remedied. If a public housing agency administering public housing found in violation under this paragraph has commenced a repair program to remediate these violations, tenants exercising this right may negotiate a staged release of funds held in escrow upon reaching measurable benchmarks as established by the Secretary, including consultation with the tenants of the property and any resident council.

(B) REPAIR AND DEDUCT.—Any tenant of a public housing project may make payments from the tenant’s contribution toward rent, not to exceed the monthly gross rent for the unit, to effectuate the cost of repairs or mitigation to bring their unit into compliance with housing quality standards, and to deduct the documented cost from their rent, in accordance with procedures established by the Secretary.

(C) PROHIBITION.—A public housing agency administering a public housing project shall not evict tenants of the project for nonpayment
of rent for exercising rights under this parag.

(D) Rule of Construction.—Nothing in
this paragraph shall be construed to limit or
pre-empt any stronger protections which may
exist under State or local law.

(3) Protection of Tenants.—A public hous-
ing agency may not terminate the tenancy of any
tenant of public housing because of the withholding
or abatement of assistance pursuant to this sub-
section. During the period that assistance is abated
pursuant to this subsection, the tenant may termi-
nate the tenancy by notifying the agency.

(4) Inspections upon Request or Peti-
tion.—In addition to periodic inspections by the
Secretary, the Secretary shall conduct an inspection
or management review of any public housing project
when requested by the local government in which the
project is located or by a petition signed by not less
than 25 percent of the tenants of the occupied units
in the project.