

**AMENDMENT TO THE AMENDMENT IN THE NA-
TURE 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:

- 1 (e) MAINTENANCE OF PUBLIC HOUSING.—
- 2 (1) ENFORCEMENT OF HOUSING STANDARDS.—
- 3 For any public housing agency receiving grants from
- 4 amounts provided under this section, if the Sec-
- 5 retary determines, upon any inspection or public
- 6 housing agency management review for any public
- 7 housing project, that there are serious violations of
- 8 housing quality standards that are not corrected
- 9 after reasonable notice, or any other substantial or
- 10 repeated violations of other program requirements,
- 11 including residents' right to organize, the Secretary
- 12 may take one or more of the following actions in ad-
- 13 dition to other remedies allowed:
- 14 (A) Withhold all or part of the assistance
- 15 under section 9 for the project.
- 16 (B) Withhold any rent increases for the
- 17 project otherwise due.

1 (C) Assume possession and management of
2 the project and take any actions necessary to
3 correct the violations, including using such
4 withheld payments to effectuate repairs or to
5 reimburse others who make repairs.

6 (D) Use such withheld payments to pay for
7 utilities and other services that are the respon-
8 sibility of the public housing agency under the
9 lease or applicable law.

10 (2) ESCROW OF TENANT RENTS.—

11 (A) WITHHOLDING OF RENT.—If the Sec-
12 retary determines, pursuant to paragraph (1),
13 that there are serious violations of housing
14 quality standards applicable to any public hous-
15 ing project, including a failed physical inspec-
16 tion score, an unsatisfactory management and
17 occupancy review score, or a notice of violation
18 of right to organize regulations under part 964
19 of title 24, Code of Federal Regulations, any
20 tenants of the project may withhold the tenant
21 contribution toward rent and pay such amount,
22 when due, into an escrow fund in accordance
23 with procedures established by the Secretary. If
24 a tenant withholds the tenant contribution to-
25 ward rent in accordance with this paragraph,

1 the Secretary shall withhold all or part of the
2 assistance for the project under section 9 with
3 respect to the unit until the violations are rem-
4 edied. If a public housing agency administering
5 public housing found in violation under this
6 paragraph has commenced a repair program to
7 remediate these violations, tenants exercising
8 this right may negotiate a staged release of
9 funds held in escrow upon reaching measurable
10 benchmarks as established by the Secretary, in-
11 cluding consultation with the tenants of the
12 property and any resident council.

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

22 (C) PROHIBITION.—A public housing agen-
23 cy administering a public housing project shall
24 not evict tenants of the project for nonpayment

1 of rent for exercising rights under this para-
2 graph.

3 (D) RULE OF CONSTRUCTION.—Nothing in
4 this paragraph shall be construed to limit or
5 pre-empt any stronger protections which may
6 exist under State or local law.

7 (3) PROTECTION OF TENANTS.—A public hous-
8 ing agency may not terminate the tenancy of any
9 tenant of public housing because of the withholding
10 or abatement of assistance pursuant to this sub-
11 section. During the period that assistance is abated
12 pursuant to this subsection, the tenant may termi-
13 nate the tenancy by notifying the agency.

14 (4) INSPECTIONS UPON REQUEST OR PETI-
15 TION.—In addition to periodic inspections by the
16 Secretary, the Secretary shall conduct an inspection
17 or management review of any public housing project
18 when requested by the local government in which the
19 project is located or by a petition signed by not less
20 than 25 percent of the tenants of the occupied units
21 in the project.

