

AMENDMENT TO H.R. 1851
OFFERED BY MS. WATERS OF CALIFORNIA AND
MRS. BIGGERT OF ILLINOIS

Page 2, line 11, after “clause (ii)” insert “or (iii)”.

Page 3, line 8, strike the quotation marks and all that follows.

Page 3, after line 8, insert the following:

1 “(iii) PROJECTS RECEIVING CERTAIN
2 FEDERAL HOUSING SUBSIDIES.—In the
3 case of any property that within the pre-
4 vious 12 months has been determined to
5 meet housing quality and safety standards
6 under any Federal housing program in-
7 spection standard, including the program
8 under section 42 of the Internal Revenue
9 Code of 1986 or under subtitle A of title
10 II of the Cranston Gonzalez National Af-
11 fordable Housing Act of 1990, a public
12 housing agency may authorize occupancy
13 before the inspection under clause (i) has
14 been completed, and may make assistance
15 payments retroactive to the beginning of

1 the lease term after the unit has been de-
2 termined pursuant to an inspection under
3 clause (i) to meet the housing quality
4 standards under subparagraph (B).”; and

Page 4, line 5, strike “dwelling unit” and insert “property”.

Page 4, line 17, strike “dwelling” and insert “property”.

Page 4, line 21, after “and” insert “, if a non-Federal standard was used,”.

Page 6, line 5, after “agency” insert “or owner”.

Page 6, line 16, before the period insert “, except that a public housing agency or owner may elect not to conduct such review in the last three months of a certification period”.

Page 10, line 23,. after the period insert the following: “The Secretary shall work with other appropriate Federal agencies to develop procedures to enable public housing agencies and owners to have access to such income determinations made by other Federal programs.”.

Page 11, line 15, before the comma insert the following: “or spouse of the head of the household, plus un-

earned income by or on behalf of each dependent who is less than 18 years of age”.

Page 12, line 11, before the period insert the following: “or any grant-in-aid or scholarship amounts related to such attendance used for the cost of tuition or books”.

Page 15, after line 13, insert the following:

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

5 (f) IMPACT ON PUBLIC HOUSING REVENUES.—

6 (1) INTERACTION WITH ASSET MANAGEMENT
7 RULE.—If the Secretary of Housing and Urban De-
8 velopment determines that the application of the
9 amendments made by this section results in a reduc-
10 tion in the rental income of a public housing agency
11 that is not de minimus during the period that the
12 operating formula income is frozen at a level that
13 does not fully reflect the changes made by such
14 amendments, the Secretary shall make appropriate
15 adjustments in the formula income of the agency.

16 (2) HUD REPORTS ON PUBLIC HOUSING REV-
17 ENUE IMPACT.—For each of fiscal years 2008 and

1 2009, the Secretary of Housing and Urban Develop-
2 ment shall submit a report to Congress identifying
3 and calculating the impact of changes made by the
4 amendments made by this section on the revenues
5 and costs of operating public housing units.

Page 15, line 14, strike “(e)” and insert “(g)”.

Page 19, line 3, after “eviction” insert “or termi-
nation”.

Page 20, line 6, after “eviction” insert “or termi-
nation”.

Page 20, line 8, strike “and”.

Page 20, line 18, strike the period and insert “;
and”.

Page 20, after line 18, insert the following:

6 (3) in section 8(c)(4) (42 U.S.C. 1437f(c)(4)),
7 by striking “at the time it initially occupied such
8 dwelling unit” and insert “according to the restric-
9 tions under section 3(a)(1)”.

Page 25, line 9, strike “costs” and insert “cost
data”.

Page 25, line 12, before the semicolon insert the fol-
lowing: “, which shall be established using the smallest

geographical areas for which data on changes in rental costs are annually available”.

Page 25, line 16, strike “and”.

Page 25, after line 16, insert the following:

1 “(iii) by making any adjustments nec-
2 essary for full year funding of vouchers
3 ported in the prior calendar year under
4 subsection (r)(2); and”.

Page 25, line 17, strike “(iii)” and insert “(iv)”.

Page 26, line 2, after “leasing” insert “and cost data”.

Page 26, line 6, after the period insert the following:
“Such leasing and cost data shall not include funds not appropriated for tenant-based assistance under section 8(o), unless the agency’s funding was prorated in the prior year and the agency used other funds to maintain vouchers in use.”.

Page 26, after line 6, insert the following:

5 “(C) OVERLEASING.—For the purpose of deter-
6 mining allocations under subsection (A)(i), the leas-
7 ing rate calculated for the prior calendar year may
8 exceed an agency’s authorized voucher level, except

1 that such calculation in 2009 shall not include
2 amounts resulting from a leasing rate in excess of
3 103 percent of an agency's authorized vouchers in
4 2008 which results from the use of accumulated
5 amounts, as referred to in paragraph (4)(A).”.

Page 26, line 7, strike “(C)” and insert “(D)”.

Page 26, line 17, strike “(D)(i)” and insert
“(E)(i)”.

Page 26, line 18, strike “(D)” and insert “(E)”.

Page 26, line 24, strike “(C)” and insert “(D)”.

Page 27, line 10, strike “(C)” and insert “(D)”.

Page 27, after line 13, insert the following:

6 “(E) PROMPT FUNDING ALLOCATION.—
7 The Secretary shall allocate all funds under this
8 subsection for each year before the latter of (i)
9 February 15, or (ii) the expiration of the 45-
10 day period beginning upon the enactment of the
11 appropriations Act funding such renewals.”.

Page 29, line 18, strike “2 percent” and insert “5
percent”.

Page 29, line 19, after the period insert the fol-
lowing: “Notwithstanding any other provision of law,

each public housing agency may retain all amounts not authorized to be recaptured under this subparagraph, and may use such amounts for all authorized purposes.”.

Page 30, line 17, before the first period insert “, as provided under paragraph (2)(C)”.

Page 31, after line 2, insert the following:

1 (c) VOUCHERS FOR PERSONS WITH DISABILITIES.—
2 The Secretary of Housing and Urban Development shall
3 develop and issue, to public housing agencies that received
4 voucher assistance under section 8(o) for non-elderly dis-
5 abled families pursuant to appropriations Acts between
6 fiscal years 1997 and 2002, guidance to ensure that, to
7 the maximum extent practicable, such vouchers continue
8 to be provided upon turnover to qualified non-elderly dis-
9 abled families.

Page 31, strike lines 6 through 8 and insert the following:

10 (1) in paragraph (1)—
11 (A) by redesignating subparagraphs (D)
12 and (E) as subparagraphs (E) and (F), respec-
13 tively; and
14 (B) by striking subparagraphs (B) and (C)
15 and inserting the following new subparagraphs:

Page 31, after line 14, insert the following new clause (and redesignate succeeding clauses accordingly):

1 “(ii) until superseded through subse-
2 quent rulemaking, be based on the per-unit
3 fee payable to the agency in fiscal year
4 2003, updated for each subsequent year as
5 specified in subsection (iv);”.

Page 31, line 16, strike “and”.

Page 31, line 22, strike the period and insert “;
and”.

Page 31, after line 22, insert the following:

6 “(v) include an amount for the cost of
7 family self-sufficiency coordinators, as pro-
8 vided in section 23(h)(1).”.

Page 31, line 25, strike the quotation marks and all
that follows.

Page 32, after line 2, insert the following:

9 (c) ADMINISTRATIVE FEES FOR FAMILY SELF-SUF-
10 FICIENCY PROGRAM COSTS.—Subsection (h) of section 23
11 of the United States Housing Act of 1937 (42 U.S.C.
12 1437u(h)) is amended by striking paragraph (1) and in-
13 serting the following new paragraph:

1 “(1) SECTION 8 FEES.—

2 “(A) IN GENERAL.—The Secretary shall
3 establish a fee under section 8(q) for the costs
4 incurred in administering the self-sufficiency
5 program under this section to assist families re-
6 ceiving voucher assistance through section 8(o).

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

10 “(i) BASE FEE.—A public housing
11 agency serving 25 or more participants in
12 the family self-sufficiency program under
13 this section shall receive a fee equal to the
14 costs of employing one full-time family
15 self-sufficiency coordinator. An agency
16 serving fewer than 25 such participants
17 shall receive a prorated fee.

18 “(ii) ADDITIONAL FEE.—An agency
19 that meets minimum performance stand-
20 ards shall receive an additional fee suffi-
21 cient to cover the costs of employing a sec-
22 ond family self-sufficiency coordinator if
23 the agency has 75 or more participating
24 families, and a third such coordinator if it
25 has 125 or more participating families

1 “(iii) PREVIOUSLY FUNDED AGEN-
2 CIES.—An agency that received funding
3 from the Department of Housing and
4 Urban Development for more than three
5 such coordinators in any of fiscal years
6 1998 through 2007 shall receive funding
7 for the highest number of coordinators
8 funded in a single fiscal year during that
9 period, provided they meet applicable size
10 and performance standards.

11 “(iv) INITIAL YEAR.—For the first
12 year in which a public housing agency ex-
13 ercises its right to develop an family self-
14 sufficiency program for its residents, it
15 shall be entitled to funding to cover the
16 costs of up to one family self-sufficiency
17 coordinator, based on the size specified in
18 its action plan for such program.

19 “(v) STATE AND REGIONAL AGEN-
20 CIES.—For purposes of calculating the
21 family self-sufficiency portion of the ad-
22 ministrative fee under this subparagraph,
23 each administratively distinct part of a
24 State or regional public housing agency
25 shall be treated as a separate agency.

1 “(vi) DETERMINATION OF NUMBER
2 OF COORDINATORS.—In determining
3 whether a public housing agency meets a
4 specific threshold for funding pursuant to
5 this paragraph, the number of participants
6 being served by the agency in its family
7 self-sufficiency program shall be considered
8 to be the average number of families en-
9 rolled in such agency’s program during the
10 course of the most recent fiscal year for
11 which the Department of Housing and
12 Urban Development has data.

13 “(C) PRORATION.—If insufficient funds
14 are available in any fiscal year to fund all of the
15 coordinators authorized under this section, the
16 first priority shall be given to funding one coor-
17 dinator at each agency with an existing family
18 self-sufficiency program. The remaining funds
19 shall be prorated based on the number of re-
20 maining coordinators to which each agency is
21 entitled under this subparagraph.

22 “(D) RECAPTURE.—Any fees allocated
23 under this subparagraph by the Secretary in a
24 fiscal year that have not been spent by the end
25 of the subsequent fiscal year shall be recaptured

1 by the Secretary and shall be available for pro-
2 viding additional fees pursuant to subparagraph
3 (B)(ii).

4 “(E) PERFORMANCE STANDARDS.—Within
5 six months after the date of the enactment of
6 this paragraph, the Secretary shall publish a
7 proposed rule specifying the performance stand-
8 ards applicable to funding under clauses (ii)
9 and (iii) of subparagraph (B). Such standards
10 shall include requirements applicable to the
11 leveraging of in-kind services and other re-
12 sources to support the goals of the family self-
13 sufficiency program.

14 “(F) DATA COLLECTION.—Public housing
15 agencies receiving funding under this paragraph
16 shall collect and report to the Secretary, in such
17 manner as the Secretary shall require, informa-
18 tion on the performance of their family self-suf-
19 ficiency programs.

20 “(G) EVALUATION.— The Secretary shall
21 conduct a formal and scientific evaluation of
22 the effectiveness of well-run family self-suffi-
23 ciency programs, using random assignment of
24 participants to the extent practicable. Not later
25 than the expiration of the 4-year period begin-

1 ning upon the enactment of this paragraph, the
2 Secretary shall submit an interim evaluation re-
3 port to the Congress. Not later than the expira-
4 tion of the 8-year period beginning upon such
5 enactment, the Secretary shall submit a final
6 evaluation report to the Congress. There is au-
7 thorized to be appropriated \$10,000,000 to
8 carry out the evaluation under this subpara-
9 graph.

10 “(H) INCENTIVES FOR INNOVATION AND
11 HIGH PERFORMANCE.—The Secretary may re-
12 serve up to 10 percent of the amounts made
13 available for administrative fees under this
14 paragraph to provide support to or reward fam-
15 ily self-sufficiency programs that are particu-
16 larly innovative or highly successful in achieving
17 the goals of the program.”.

Page 32, strike lines 8 through 10.

Page 32, strike lines 11 through 13 and insert the
following:

18 **SEC. 8. HOMEOWNERSHIP.**

19 (a) SECTION 8 HOMEOWNERSHIP DOWNPAYMENT
20 PROGRAM.—Section 8(y)(7) of the United States Housing
21 Act of

Page 33, after line 21, insert the following:

1 (b) USE OF VOUCHERS FOR MANUFACTURED HOUS-
2 ING.—Section 8(o)(12) of the United States Housing Act
3 of 1937 (42 U.S.C. 1437f(o)(12) is amended—

4 (1) in subparagraph (A), by striking the period
5 at the end of the first sentence and all that follows
6 through “of” in the second sentence and inserting
7 “and rents”;

8 (2) in subparagraph (B)—

9 (A) in clause (i), by striking “the rent”
10 and all that follows and inserting the following:
11 “rent shall mean the sum of the monthly pay-
12 ments made by a family assisted under this
13 paragraph to amortize the cost of purchasing
14 the manufactured home, including any required
15 insurance and property taxes, the monthly
16 amount allowed for tenant-paid utilities, and
17 the monthly rent charged for the real property
18 on which the manufactured home is located, in-
19 cluding monthly management and maintenance
20 charges.”;

21 (B) by striking clause (ii); and

22 (C) in clause (iii)—

23 (i) by inserting after the period at the
24 end the following: “If the amount of the

1 monthly assistance payment for a family
2 exceeds the monthly rent charged for the
3 real property on which the manufactured
4 home is located, including monthly man-
5 agement and maintenance charges, a pub-
6 lic housing agency may pay the remainder
7 to the family, lender or utility company, or
8 may choose to make a single payment to
9 the family for the entire monthly assist-
10 ance amount.”; and
11 (ii) by redesignating such clause as
12 clause (ii).

Page 35, line 23, before the period insert “and of authorized vouchers”.

Page 35, strike lines 24 and 25 (and redesignate succeeding clauses accordingly).

Page 36, after line 4, insert the following (and redesignate succeeding clauses accordingly):

13 “(v) Accurate rent calculations and
14 subsidy payments.
15 “(vi) Effectiveness in carrying out
16 family self-sufficiency activities.
17 “(vii) Timeliness of actions related to
18 landlord participation”.

Page 36, after line 17, insert the following:

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

3 “(B) PERCENTAGE LIMITATION.—

4 “(i) IN GENERAL.—Subject to clause
5 (ii), not more than 25 percent of the fund-
6 ing available for tenant-based assistance
7 under this section that is administered by
8 the agency may be attached to structures
9 pursuant to this paragraph.

10 “(ii) EXCEPTION.—An agency may at-
11 tach up to an additional 5 percent of the
12 funding available for tenant-based assist-
13 ance under this section to structures pur-
14 suant to this paragraph for dwelling units
15 that house individuals and families that
16 meet the definition of homeless under sec-
17 tion 103 of the McKinney-Vento Homeless
18 Assistance Act (42 U.S.C. 11302).”;

19 (2) by striking subparagraph (D) and inserting
20 the following new subparagraph:

21 “(D) INCOME MIXING REQUIREMENT.—

22 “(i) IN GENERAL.—Except as pro-
23 vided in clause (ii), not more than the
24 greater of 25 dwelling units or 25 percent

1 of the dwelling units in any project may be
2 assisted under a housing assistance pay-
3 ment contract for project-based assistance
4 pursuant to this paragraph. For purposes
5 of this subparagraph, the term ‘project’
6 means a single building, multiple contig-
7 uous buildings, or multiple buildings on
8 contiguous parcels of land.

9 “(ii) EXCEPTIONS.—

10 “(I) CERTAIN HOUSING.—The
11 limitation under clause (i) shall not
12 apply in the case of assistance under
13 a contract for housing consisting of
14 single family properties, or for dwell-
15 ing units that are specifically made
16 available for households comprised of
17 elderly families, disabled families, and
18 families receiving supportive services.
19 For purposes of the preceding sen-
20 tence, the term ‘single family
21 properties’ means buildings with no
22 more than four dwelling units.

23 “(II) CERTAIN AREAS.—With re-
24 spect to areas in which fewer than 75
25 percent of families issued vouchers be-

1 come participants in the program, the
2 public housing agency has established
3 the payment standard at 110 percent
4 of the fair market rent for all census
5 tracts in the area for the previous six
6 months, and the public housing agen-
7 cy grants an automatic extension of
8 90 days (or longer) to families with
9 vouchers who are attempting to find
10 housing, clause (i) shall be applied by
11 substituting ‘50 percent’ for ‘25 per-
12 cent.’.”;

Page 36, line 18, strike “(1)” and insert “(3)”.

Page 37, line 3, strike “and.”.

Page 37, line 4, strike “(2)” and insert “(4)”.

Page 37, line 9, strike the period and insert a semi-
colon.

Page 37, after line 9, insert the following:

13 (5) in subparagraph (J)—
14 (A) by striking the fifth and sixth sen-
15 tences and inserting the following: “A public
16 housing agency may establish and utilize proce-
17 dures for maintaining site-based waiting lists

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

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

1 placed by a proposed unit to be assisted under
2 this paragraph shall be given an absolute pref-
3 erence for selection for placement in the pro-
4 posed unit, if the family is otherwise eligible for
5 assistance under this subsection.”; and

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

8 “(L) USE IN COOPERATIVE HOUSING AND
9 ELEVATOR BUILDINGS.—A public housing agen-
10 cy may enter into a housing assistance pay-
11 ments contract under this paragraph with re-
12 spect to—

13 “(i) dwelling units in cooperative
14 housing;

15 “(ii) notwithstanding subsection (c),
16 dwelling units in a high-rise elevator
17 project, including such a project that is oc-
18 cupied by families with children, without
19 review and approval of the contract by the
20 Secretary.

21 “(M) REVIEWS.—

22 “(i) SUBSIDY LAYERING.—A subsidy
23 layering review in accordance with section
24 102(d) of the Department of Housing and
25 Urban Development Reform Act of 1989

1 (42 U.S.C. 3545(d)) shall not be required
2 for assistance under this subparagraph in
3 the case of a housing assistance payments
4 contract for an existing structure, or if a
5 subsidy layering review has been conducted
6 by the applicable State or local agency.

7 “(ii) ENVIRONMENTAL REVIEW.—A
8 public housing agency shall not be required
9 to undertake any environmental review be-
10 fore entering into a housing assistance
11 payments contract under this paragraph
12 for an existing structure, except to the ex-
13 tent such a review is otherwise required by
14 law or regulation.

15 “(N) LEASES AND TENANCY.—Assistance
16 provided under this paragraph shall be subject
17 to the provisions of paragraph (7), except that
18 subparagraph (A) of such paragraph shall not
19 apply.”.

Page 38, after line 20, insert the following:

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

21 (a) IN GENERAL.—Paragraph (1) of section 8(c) of
22 the United States Housing Act of 1937 (42 U.S.C.
23 1437f(c)(1)) is amended—

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

3 (2) by striking the seventh, eighth, and ninth
4 sentences; and

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

6 “(B)(i) The Secretary shall endeavor to define mar-
7 ket areas for purposes of this paragraph in a manner that
8 results in fair market rentals that are adequate to cover
9 typical rental costs of units suitable for occupancy by per-
10 sons assisted under this section in as wide a range of com-
11 munities as is feasible, including communities with low
12 poverty rates.

13 “(ii) The Secretary at a minimum shall define a sepa-
14 rate market area for each—

15 “(I) metropolitan city, as such term is defined
16 in section 102(a) of the Housing and Community
17 Development Act of 1974 (42 U.S.C. 5302(a)), with
18 more than 40,000 rental dwelling units; and

19 “(II) urban county or portion of an urban coun-
20 ty, as such term is defined in such section 102(a),
21 located outside the boundaries of any metropolitan
22 city specified in subclause (I).

23 “(iii) The Secretary shall, at the request of one or
24 more public housing agencies, establish a separate market

1 area for part or all of the area under the jurisdiction of
2 such agencies, if—

3 “(I) the requested market area contains at least
4 20,000 rental dwelling units;

5 “(II) the areas contained in the requested mar-
6 ket area are geographically contiguous and share
7 similar housing market characteristics;

8 “(III) adequate data are available to establish
9 a reliable fair market rental for the requested mar-
10 ket area, and for the remainder of the market area
11 in which it is currently located; and

12 “(IV) establishing the requested market area
13 would raise or lower the fair market rental by 10
14 percent or more at the time the requested market
15 area is established.

16 For purposes of subclause (III), data for an area shall
17 be considered adequate if they are sufficient to establish
18 from time to time a reliable benchmark fair market rental
19 based primarily on data from that area, whether or not
20 those data need to be supplemented with data from a larg-
21 er area for purposes of annual updates.

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

1 (b) PAYMENT STANDARD.—Subparagraph (B) of sec-
2 tion 8(o)(1) of the United States Housing Act of 1937
3 (42 U.S.C. 1437f(o)(1)(B)) is amended by inserting be-
4 fore the period at the end the following: “, except that
5 no public housing agency shall be required as a result of
6 a reduction in the fair market rental to reduce the pay-
7 ment standard applied to a family continuing to reside in
8 a unit for which the family was receiving assistance under
9 this section at the time the fair market rental was re-
10 duced”.

11 **SEC. 14. HOUSING INNOVATION PROGRAM.**

12 (a) ESTABLISHMENT OF PROGRAM.—Title I of the
13 United States Housing Act of 1937 (42 U.S.C. 1437 et
14 seq.) is amended by adding at the end the following new
15 section:

16 **“SEC. 36. HOUSING INNOVATION PROGRAM.**

17 “(a) PURPOSE.—The purpose of the program under
18 this section is to provide public housing agencies and the
19 Secretary the flexibility to design and evaluate innovative
20 approaches to providing housing assistance that—

21 “(1) increase housing opportunities for low-in-
22 come families, including preventing homelessness, re-
23 habilitate or replace housing at risk of physical dete-
24 rioration or obsolescence, and develop additional af-
25 fordable housing;

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

5 “(3) provide financial incentives and other sup-
6 port mechanisms to families to obtain employment
7 and increase earned income;

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

13 “(5) are subject to rigorous evaluation to test
14 the effectiveness of such innovative approaches; and

15 “(6) are developed with the support of the local
16 community and with the substantial participation of
17 affected residents.

18 “(b) PROGRAM AUTHORITY.—

19 “(1) SCOPE.—The Secretary shall carry out a
20 housing innovation program under this section under
21 which the Secretary may designate not more than 40
22 public housing agencies to participate, at any one
23 time, in the housing innovation program, in accord-
24 ance with subsections (c) and (d).

1 “(2) DURATION.—The Secretary may carry out
2 the housing innovation program under this section
3 only during the 10-year period beginning on the date
4 of the enactment of the Section 8 Voucher Reform
5 Act of 2007.

6 “(c) PARTICIPATION OF EXISTING MTW AGEN-
7 CIES.—

8 “(1) EXISTING MTW AGENCIES.—Subject to the
9 requirements of paragraph (2), all existing MTW
10 agencies shall be designated to participate in the
11 program.

12 “(2) CONDITIONS OF PARTICIPATION.—The
13 Secretary shall approve and transfer into the hous-
14 ing innovation program under this section each ex-
15 isting MTW agency that the Secretary determines is
16 not in default under such agreement. Each such
17 agency shall, within two years after the date of the
18 enactment of the Section 8 Voucher Reform Act of
19 2007, make changes to its policies that were imple-
20 mented before such date of enactment in order to
21 comply with the requirements of this section.

22 “(d) ADDITIONAL AGENCIES.—

23 “(1) PROPOSALS; SELECTION PROCESS.—In ad-
24 dition to agencies participating in the program pur-
25 suant to subsection (c), the Secretary shall, within

1 18 months after such date of enactment, select pub-
2 lic housing agencies to participate in the program
3 pursuant to a competitive process that meets the fol-
4 lowing requirements:

5 “(A) Any public housing agency may be se-
6 lected to participate in the program, except that
7 not more than 5 agencies that are troubled or
8 near-troubled under the public housing assess-
9 ment system and/or section 8 management as-
10 sessment program may be selected, and except
11 that any agency for which the Secretary has
12 hired an alternative management entity for
13 such agency or has taken possession of all or
14 any part of such agency’s public housing pro-
15 gram shall not be eligible for participation. Any
16 troubled or near-troubled public housing agency
17 participating in the program shall remain sub-
18 ject to the requirements of this Act governing
19 tenant rent contributions, eligibility, and contin-
20 ued participation, and may not adopt policies
21 described in subsection (e)(4) (relating to rents
22 and requirements for continued occupation and
23 participation).

24 “(B) The process provides, to the extent
25 possible based on eligible agencies submitting

1 applications and taking into account existing
2 MTW agencies participating pursuant to sub-
3 section (c), for representation among agencies
4 selected of agencies having various characteris-
5 tics, including both large and small agencies,
6 agencies serving urban, suburban, and rural
7 areas, and agencies in various geographical re-
8 gions throughout the United States, and which
9 may include the selection of agencies that only
10 administer the voucher program under section
11 8(o).

12 “(C) Any agency submitting a proposal
13 under this paragraph shall have provided notice
14 to residents and the local community, not later
15 than 30 days before the first of the two public
16 meetings required under subparagraph (D).

17 “(D) The agency submitting a proposal
18 shall hold two public meetings to receive com-
19 ments on the agency’s proposed application, on
20 the implications of changes under the proposal,
21 and the possible impact on residents.

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

24 “(i) The extent to which the proposal
25 generally identifies existing rules and regu-

1 lations that impede achievement of the
2 goals and objectives of the proposal and an
3 explanation of why participation in the
4 program is necessary to achieve such goals
5 and objectives.

6 “(ii) The extent of commitment and
7 funding for carrying out the proposal by
8 local government agencies and nonprofit
9 organizations, including the provision of
10 additional funding and other services, and
11 the extent of support for the proposal by
12 residents, resident advisory boards, and
13 members of the local community.

14 “(iii) The extent to which the agency
15 has a successful history of implementing
16 strategies similar to those set forth in the
17 agency’s proposal.

18 “(iv) Whether the proposal pursues a
19 priority strategy as specified in paragraph
20 (2). In the case of any proposal utilizing a
21 such a priority strategy, the proposal shall
22 be evaluated based upon—

23 “(I) the extent to which the pro-
24 posal is likely to achieve the objectives
25 of developing additional housing dwell-

1 ing units affordable to extremely low-
2 , very low-, and low-income families,
3 and preserving, rehabilitating, or mod-
4 ernizing existing public housing dwell-
5 ing units; or

6 “(II) the extent to which the pro-
7 posal is likely to achieve the purposes
8 of moving families toward economic
9 self-sufficiency and increasing employ-
10 ment rates and wages of families
11 without imposing a significant rent
12 burden on the lowest income families,
13 as well as such of the additional pur-
14 poses as may be identified in the pro-
15 posal, which may include expanding
16 housing choices utilizing coordinators
17 for the family self-sufficiency program
18 under section 23, making more effec-
19 tive use of program funds, and im-
20 proving program management.

21 “(v) Such other factors as the Sec-
22 retary may provide, in consultation with
23 participating agencies, program stake-
24 holders, and any entity conducting evalua-
25 tions pursuant to subsection (f).

1 “(2) PRIORITY STRATEGIES.—For purposes of
2 paragraph (1)(E)(iv), the following are priority
3 strategies:

4 “(A) DEVELOPMENT, REHABILITATION,
5 AND FINANCING.—A strategy of development of
6 additional affordable housing dwelling units
7 and/or a strategy for preservation and physical
8 rehabilitation and modernization of existing
9 public housing dwelling units. Such strategies
10 may include innovative financing proposals,
11 leveraging of non-public housing funds (includ-
12 ing the low-income housing tax credit program),
13 and combining of funds for assistance under
14 sections 8 and 9. Each such proposal shall in-
15 clude detailed information about the strategies
16 expected to be employed, an explanation of why
17 participation in the program is necessary to em-
18 ploy such strategies, and numerical goals re-
19 garding the number of dwelling units to be de-
20 veloped, preserved, or rehabilitated.

21 “(B) RENT REFORMS.—A strategy to im-
22 plement rent reforms, which shall be designed
23 to help families increase their earned income
24 through rent and other work incentives, and
25 may also test the effectiveness of achieving ad-

1 ministrative cost savings without increased rent
2 burdens for extremely low- and very low-income
3 families.

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

8 “(A) subject to subparagraph (B), such
9 agencies may implement any policies and activi-
10 ties that are not inconsistent with this section
11 without specifying such policies and activities in
12 such amendment and without negotiating or en-
13 tering into any other agreements with the Sec-
14 retary specifying such policies and activities;
15 and

16 “(B) the activities to be implemented by
17 an agency under the program in a given year
18 shall be described in and subject to the require-
19 ments of the annual plan under subsection
20 (e)(8). Upon the enactment of this section, any
21 agency which has participated in the Moving to
22 Work demonstration may, at its option, be sub-
23 ject to the provisions of this paragraph in lieu
24 of any other agreement required by the Sec-
25 retary for participation in the program.

1 “(4) MAINTAINING PARTICIPATION RATE.—If,
2 at any time after the initial selection period under
3 paragraph (1), the number of public housing agen-
4 cies participating in the program under this section
5 is fewer than 40, the Secretary shall promptly solicit
6 applications from and select public housing agencies
7 to participate in the program under the terms and
8 conditions for application and selection provided in
9 this section to increase the number of agencies par-
10 ticipating in the program to 40.

11 “(e) PROGRAM REQUIREMENTS.—

12 “(1) PROGRAM FUNDS.—

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

1 “(i) providing capital and operating
2 assistance, and financing for housing pre-
3 viously developed or operated pursuant to
4 a contract between the Secretary and such
5 agency;

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

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

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

22 “(v) safety, security, law enforcement,
23 and antierime activities appropriate to pro-
24 tect and support families assisted under
25 the program;

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

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

10 “(B) COMBINING FUNDS.—Notwith-
11 standing any other provision of law, a partici-
12 pating agency may combine and use program
13 funds for any activities authorized under this
14 section, except that a participating agency may
15 use funds provided for assistance under section
16 8(o) for activities other than those authorized
17 under section 8(o) only if (i) in the calendar
18 year prior to its participation in the program,
19 the agency utilized not less than 95 percent of
20 such funds allocated for that calendar year for
21 such authorized activities or 95 percent of its
22 authorized vouchers, including vouchers ported
23 in to the agency and vouchers ported out; or (ii)
24 after approval to participate in the program,
25 the agency achieves such utilization for a 12-

1 month period. This subparagraph shall not
2 apply to participating agencies approved by the
3 Secretary to combine funds from sections 8 and
4 9 of the Act prior to enactment of this section.

5 “(2) USE OF PROGRAM FUNDS.—In carrying
6 out the housing innovation program under this sec-
7 tion, each participating agency shall continue to as-
8 sist—

9 “(A) not less than substantially the same
10 number of eligible low-income families under
11 the program as it assisted in the base year for
12 the agency; and

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

21 Determinations with respect to the number of fami-
22 lies served shall be adjusted based on any allocation
23 of additional vouchers under section 8(o) and to re-
24 flect any change in the percentage of program funds

1 that a participating agency receives compared to the
2 base year.

3 “(3) RETAINED PROVISIONS.—Notwithstanding
4 any other provision of this section, families receiving
5 assistance under this section shall retain the same
6 rights of judicial review of agency action as they
7 would otherwise have had if the agency were not
8 participating in the program, and each participating
9 agency shall comply with the following provisions of
10 this Act:

11 “(A) Subsections (a)(2)(A) and (b)(1) of
12 section 16 (relating to targeting for new admis-
13 sions in the public housing and voucher pro-
14 grams).

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

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

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

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

4 “(F) Sections 6(c)(3), 6(c)(4)(i), and
5 8(o)(6)(B) (relating to rights of public housing
6 applicants and existing procedural rights for
7 applicants under section 8(o)).

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

12 “(H) Section 6(l) (relating to public hous-
13 ing lease requirements), except that for units
14 assisted both with program funds and low-in-
15 come housing tax credits, the initial lease term
16 may be less than 12 months if required to con-
17 form lease terms with such tax credit require-
18 ments.

19 “(I) Section 7 (relating to designation of
20 housing for elderly and disabled households),
21 except that a participating agency may make
22 such designations(at initial designation or upon
23 renewal) for a term of up to 5 years if the
24 agency includes in its annual plan under para-
25 graph (8) an analysis of the impact of such des-

1 ignations on affected households and such des-
2 ignation is subject to the program evaluation.
3 Any participating agency with a designated
4 housing plan that was approved under the mov-
5 ing to work demonstration may continue to op-
6 erate under the terms of such plan for a term
7 of 5 years (with an option to renew on the same
8 terms for an additional 5 years) if it includes
9 in its annual plan an analysis of the impact of
10 such designations on affected households and is
11 subject to evaluation under subsection (f).

12 “(J) Subparagraphs (C) through (E) of
13 section 8(o)(7) (relating to lease requirements
14 and eviction protections for families assisted
15 with tenant-based assistance).

16 “(K) Subject to paragraph (1)(B) of this
17 subsection, section 8(o)(13)(B) (relating to a
18 percentage limitation on project-based assist-
19 ance), except that for purposes of this subpara-
20 graph such section shall be applied by sub-
21 stituting ‘50 percent’ for ‘20 percent’.

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

1 “(i) in the case of agencies partici-
2 pating in the moving to work demonstra-
3 tion, any housing assistance payment con-
4 tract entered into within 2 years after the
5 enactment of this section;

6 “(ii) project-based vouchers that re-
7 place public housing units;

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

12 “(iv) any project-based voucher pro-
13 gram that is subject to evaluation under
14 subsection (f).

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

20 “(N) Subsections (a) and (b) of section 12
21 (relating to payment of prevailing wages).

22 “(O) Section 18 (relating to demolition
23 and disposition of public housing).

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

1 “(A) BEFORE POLICY CHANGE.—Before
2 adopting any policy pursuant to participation in
3 the housing innovation program under this sec-
4 tion that would make a material change to the
5 requirements of this Act regarding tenant rents
6 or contributions, or conditions of continued oc-
7 cupancy or participation, a participating agency
8 shall complete each of the following actions:

9 “(i) The agency shall conduct an im-
10 pact analysis of the proposed policy on
11 families the agency is assisting under the
12 program under this section and on appli-
13 cants on the waiting list, including analysis
14 of the incidence and severity of rent bur-
15 dens greater than 30 percent of adjusted
16 income on households of various sizes and
17 types and in various income tiers, that
18 would result, if any, without application of
19 the hardship provisions. The analysis with
20 respect to applicants on the waiting list
21 may be limited to demographic data pro-
22 vided by the applicable consolidated plan,
23 information provided by the Secretary, and
24 other generally available information. The
25 proposed policy, including provisions for

1 addressing hardship cases and transition
2 provisions that mitigate the impact of any
3 rent increases or changes in the conditions
4 of continued occupancy or participation,
5 and data from this analysis shall be made
6 available for public inspection for at least
7 60 days in advance of the public meeting
8 described in clause (ii).

9 “(ii) The agency shall hold a public
10 meeting regarding the proposed change, in-
11 cluding the hardship provisions, which may
12 be combined with a public meeting on the
13 draft annual plan under paragraph (8) or
14 the annual report under paragraph (9).

15 “(iii) The board of directors or other
16 similar governing body of the agency shall
17 approve the change in public session.

18 “(iv) The agency shall obtain approval
19 from the Secretary of the annual plan or
20 plan amendment. The Secretary may ap-
21 prove a plan or amendment containing a
22 material change to the requirements of this
23 Act regarding tenant rents or contribu-
24 tions, or conditions of continued occupancy
25 or participation, only if the agency agrees

1 that such policy may be included as part of
2 the national evaluation.

3 “(B) AFTER POLICY CHANGE.—After
4 adopting a policy described in subparagraph
5 (A), a program agency shall complete each of
6 the following actions:

7 “(i) The agency shall provide ade-
8 quate notice to residents, which shall in-
9 clude a description of the changes in the
10 public housing lease or participation agree-
11 ment that may be required and of the
12 hardship or transition protections offered.

13 “(ii) In the case of any additional re-
14 quirements for continued occupancy or
15 participation, the agency shall execute a
16 lease addendum or participation agreement
17 specifying the requirements applicable to
18 both the resident and the agency. A resi-
19 dent may bring a civil action to enforce
20 commitments of the agency made through
21 the lease addendum or participation agree-
22 ment.

23 “(iii) The agency shall reassess rent,
24 subsidy level, and policies on program par-
25 ticipation no less often than every two

1 years, which shall include preparing a re-
2 vised impact analysis, and make available
3 to the public the results of such reassess-
4 ment and impact analysis. The require-
5 ment under this clause may be met by suf-
6 ficiently detailed interim reports, if any, by
7 the national evaluating entity.

8 “(iv) The agency shall include in the
9 annual report under paragraph (8) infor-
10 mation sufficient to describe any hardship
11 requests, including the number and types
12 of requests made, granted, and denied, the
13 use of transition rules, and adverse im-
14 pacts resulting from changes in rent or
15 continued occupancy policies, including ac-
16 tions taken by the agency to mitigate such
17 impacts and impacts on families no longer
18 assisted under the program.

19 “(C) APPLICABILITY TO EXISTING MTW
20 AGENCIES.—An existing MTW agency that, be-
21 fore the date of the enactment of this section,
22 implemented material changes to the require-
23 ments of this Act regarding tenant rents or
24 contributions, or conditions of continued occu-
25 pancy or participation, as part of the moving to

1 work demonstration shall not be subject to sub-
2 paragraph (A) with regard to such previously
3 implemented changes, but shall comply with the
4 requirements of subparagraph (B)(ii) and pro-
5 vide the evaluation and impact analysis required
6 by subparagraph (B)(iii) by the end of the sec-
7 ond agency fiscal year ending after such date of
8 enactment.

9 “(5) PROHIBITION AGAINST DECREASE IN PRO-
10 GRAM FUNDS.—The amount of program funds a
11 participating agency receives shall not be diminished
12 by its participation in the housing innovation pro-
13 gram under this section.

14 “(6) SUBMISSION OF INFORMATION.—As part
15 of the annual report required under subsection
16 (g)(2), each participating agency shall submit infor-
17 mation annually to the Secretary regarding families
18 assisted under the program of the agency and com-
19 ply with any other data submissions required by the
20 Secretary for purposes of evaluation of the program
21 under this section.

22 “(7) PUBLIC AND RESIDENT PARTICIPATION.—
23 Each participating agency shall provide opportuni-
24 ties for resident and public participation in the an-
25 nual plan under paragraph (8), as follows:

1 “(A) NOTICE TO RESIDENTS.—

2 “(i) NOTICE.—Each year, the agency
3 shall provide notice to the low-income fam-
4 ilies it serves under the programs author-
5 ized by this section as to the impact of
6 proposed policy changes and program ini-
7 tiatives and of the schedule of resident ad-
8 visory board and public meetings for the
9 annual plan.

10 “(ii) MEETING.—The agency shall
11 hold at least one meeting with the resident
12 advisory board (including representatives
13 of recipients of assistance under section 8)
14 to review the annual plan for each year.

15 “(B) PUBLIC MEETING.—With respect to
16 each annual plan, the agency shall hold at least
17 one annual public meeting to obtain comments
18 on the plan, which may be combined with a
19 meeting to review the annual report. In the case
20 of any agency that administers, in the aggre-
21 gate, more than 15,000 public housing units
22 and vouchers, the agency shall hold additional
23 meetings in locations that promote attendance
24 by residents and other stakeholders.

1 “(C) PUBLIC AVAILABILITY.—Before adop-
2 tion of any annual plan, and not less than 30
3 days before the public meeting required under
4 subparagraph (A)(ii) with respect to the plan,
5 the agency shall make the proposed annual plan
6 available for public inspection. The annual plan
7 shall be made available for public inspection not
8 less than 30 days before approval by the board
9 of directors (or other similar governing body) of
10 the agency and shall remain publicly available.

11 “(D) BOARD APPROVAL.—Before submit-
12 ting an annual plan or annual report to the
13 Secretary, the plan or report, as applicable,
14 shall be approved in a public meeting by the
15 board of directors or other governing body of
16 the agency.

17 “(8) ANNUAL PLAN.—

18 “(A) REQUIREMENT.—For each year that
19 a participating agency participates in the hous-
20 ing innovation program under this section, the
21 agency shall submit to the Secretary, in lieu of
22 all other planning requirements, an annual plan
23 under this paragraph.

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

1 “(i) A list and description of all pro-
2 gram initiatives and generally applicable
3 policy changes, including references to af-
4 fected provisions of law or the imple-
5 menting regulations affected.

6 “(ii) A description and comparison of
7 changes under the housing innovation pro-
8 gram of the agency from the plan for such
9 program for the preceding year.

10 “(iii) A description of property rede-
11 velopment or portfolio repositioning strate-
12 gies and proposed changes in policies or
13 uses of funds required to implement such
14 strategies.

15 “(iv) Documentation of public and
16 resident participation sufficient to comply
17 with the requirements under paragraphs
18 (4) and (7), including a copy of any rec-
19 ommendations submitted in writing by the
20 resident advisory board of the agency and
21 members of the public, a summary of com-
22 ments, and a description of the manner in
23 which the recommendations were ad-
24 dressed.

1 “(v) Certifications by the agency
2 that—

3 “(I) the annual plan will be car-
4 ried out in conformity with title VI of
5 the Civil Rights Act of 1964, the Fair
6 Housing Act, section 504 of the Reha-
7 bilitation Act of 1973, title II of the
8 Americans with Disabilities Act of
9 1990, and the rules, standards, and
10 policies in the approved plan;

11 “(II) the agency will affirmatively
12 further fair housing; and

13 “(III) the agency has complied
14 and will continue to comply with its
15 obligations under the national evalua-
16 tion.

17 “(vi) A description of the agency’s
18 local asset management strategy for public
19 housing properties, which shall be in lieu
20 of any other asset management, project
21 based management or accounting, or other
22 system of allocating resources and costs to
23 participating agency assets or cost centers
24 that the Secretary may otherwise impose
25 under this Act.

1 “(C) CHANGES.—If the agency proposes to
2 make material changes in policies or initiatives
3 in the plan during the year covered by the plan,
4 the agency shall consult with the resident advi-
5 sory board for the agency established pursuant
6 to section 5A(e) and the public regarding such
7 changes before their adoption.

8 “(D) APPROVAL PROCESS.—

9 “(i) TIMING.—The Secretary shall re-
10 view and approve or disapprove each an-
11 nual plan submitted to the Secretary with-
12 in 45 days after such submission.

13 “(ii) STANDARDS FOR DIS-
14 APPROVAL.—The Secretary may dis-
15 approve a plan only if—

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

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

1 “(III) the annual plan or annual
2 report or the agency’s activities under
3 the program are not otherwise in ac-
4 cordance with applicable law.

5 “(iii) FAILURE TO DISAPPROVE.—If a
6 submitted plan is not disapproved within
7 45 days after submission, the plan shall be
8 considered to be approved for purposes of
9 this section. The preceding sentence shall
10 not preclude judicial review regarding such
11 compliance pursuant to chapter 7 of title
12 5, United States Code, or an action re-
13 garding such compliance under section
14 1979 of the Revised Statutes of the United
15 States (42 U.S.C. 1983).

16 “(f) EVALUATION OF PERFORMANCE.—

17 “(1) IN GENERAL.—Not later than the expira-
18 tion of the one-year period that begins upon selec-
19 tion under subsection (d) of at least half of the num-
20 ber of agencies able to participate in the program
21 under this section, the Secretary shall conduct de-
22 tailed evaluations of all public housing agencies par-
23 ticipating in the program under this section—

24 “(A) to determine the level of success of
25 each public housing agency in achieving the

1 purposes of the program under subsection (a);
2 and

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

6 “(2) REPORTS.—

7 “(A) IN GENERAL.—The Secretary shall
8 submit three reports to the Congress, as pro-
9 vided in subparagraph (B), evaluating the pro-
10 grams of all public housing agencies partici-
11 pating in the program under this section and all
12 agencies participating in the moving to work
13 demonstration. Each such report shall include
14 findings and recommendations for any appro-
15 priate legislative action.

16 “(B) TIMING.—The reports under this
17 paragraph shall include—

18 “(i) an initial report, which shall be
19 submitted before the expiration of the 3-
20 year period beginning on the date of the
21 enactment of the Section 8 Voucher Reform
22 Act of 2007;

23 “(ii) an interim report, which shall be
24 submitted before the expiration of the 5-

1 year period beginning on such date of en-
2 actment; and

3 “(iii) a final report, which shall be
4 submitted before the expiration of the 10-
5 year period beginning on such date of en-
6 actment.

7 “(3) EVALUATING ENTITY.— The Secretary
8 may contract out the responsibilities under this
9 paragraphs (1) and (2) to an independent entity
10 that is qualified to perform such responsibilities.

11 “(4) PERFORMANCE MEASURES.—The Sec-
12 retary or the evaluating entity, as applicable, shall
13 establish performance measures, which may in-
14 clude—

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

17 “(B) performance measures for—

18 “(i) increasing housing opportunities
19 for extremely low-, very low-, and low-in-
20 come families, replacing or rehabilitating
21 housing at risk of physical deterioration or
22 obsolescence, and developing additional af-
23 fordable housing;

24 “(ii) leveraging other Federal, State,
25 and local funding sources, including the

1 low-income housing tax credit program, to
2 expand and preserve affordable housing
3 opportunities, including public housing;

4 “(iii) moving families to self-suffi-
5 ciency and increasing employment rates
6 and wages of families without imposing a
7 significant rent burden on the families hav-
8 ing the lowest incomes;

9 “(iv) reducing administrative costs;
10 and

11 “(v) any other performance measures
12 that the Secretary or evaluating entity, as
13 applicable, may establish.

14 “(g) RECORDKEEPING, REPORTS, AND AUDITS.—

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

22 “(2) REPORTS.—In lieu of all other reporting
23 requirements, each such agency participating in the
24 program shall submit to the Secretary an annual re-
25 port in a form and at a time specified by the Sec-

1 retary. Each annual report shall include the fol-
2 lowing information:

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

11 “(B) An annual audit that complies with
12 the requirements of Circular A-133 of the Of-
13 fice of Management and Budget, including the
14 OMB Compliance Supplement.

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

18 “(D) Documentation of public and resident
19 participation sufficient to comply with the re-
20 quirements under paragraph (7).

21 “(E) A comparison of income and the sizes
22 and types of families assisted by the agency
23 under the program compared to those assisted
24 by the agency in the base year.

1 “(F) Every two years, an evaluation of
2 rent policies, subsidy level policies, and policies
3 on program participation.

4 “(G) A description of any ongoing local
5 evaluations and the results of any local evalua-
6 tions completed during the year.

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

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

21 “(5) REPORTS REGARDING EVALUATIONS.—The
22 Secretary shall require each public housing agency
23 participating in the program under this section to
24 submit to the Secretary, as part of the agency’s an-
25 nual report under paragraph (2), such information

1 as the Secretary considers appropriate to permit the
2 Secretary to evaluate (pursuant to subsection (f))
3 the performance and success of the agency in achiev-
4 ing the purposes of the demonstration.

5 “(h) DEFINITIONS.—For purposes of this section, the
6 following definitions shall apply:

7 “(1) EXISTING MTW AGENCY.—The term ‘exist-
8 ing MTW agency’ means a public housing agency
9 that as of the date of the enactment of the Section
10 8 Voucher Reform Act of 2007 has an existing
11 agreement with the Secretary pursuant to the mov-
12 ing to work demonstration.

13 “(2) BASE YEAR.—The term ‘base year’ means,
14 with respect to a participating agency, the agency
15 fiscal year most recently completed prior to selection
16 and approval for participation in the housing innova-
17 tion program under this section.

18 “(3) MOVING TO WORK DEMONSTRATION.—The
19 term ‘moving to work demonstration’ means the
20 moving to work demonstration program under sec-
21 tion 204 of the Departments of Veterans Affairs and
22 Housing and Urban Development, and Independent
23 Agencies Appropriations Act, 1996 (42 U.S.C. 1437f
24 note).

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

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

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

18 “(i) AUTHORIZATION OF APPROPRIATIONS FOR RESI-
19 DENT TECHNICAL ASSISTANCE.—There is authorized to
20 be appropriated for each of fiscal years 2008 through
21 2012 \$10,000,000, for providing capacity building and
22 technical assistance to enhance the capabilities of low-in-
23 come families assisted under the program under this sec-
24 tion to participate in the process for establishment of an-
25 nual plans under this section for participating agencies.

1 “(j) AUTHORIZATION OF APPROPRIATIONS FOR
2 EVALUATIONS.—There is authorized to be appropriated
3 \$15,000,000 to the Department of Housing and Urban
4 Development for the purpose of conducting the evaluations
5 required under subsection (f)(1).”.

6 (b) GAO REPORT.—Not later than 48 months after
7 the date of the enactment of this Act, the Comptroller
8 General of the United States shall submit a report to the
9 Congress on the extent to which the public housing agen-
10 cies participating in the housing innovation program
11 under section 36 of the United States Housing Act of
12 1937 are meeting the goals and purposes of such program,
13 as identified in subsection (a) of such section 36.