

[DISCUSSION DRAFT]116TH CONGRESS
2D SESSION**H. R.**

To [NOTE: To be supplied.]

IN THE HOUSE OF REPRESENTATIVES

M__. introduced the following bill; which was referred to the Committee on _____

A BILL

To [NOTE: To be supplied.]

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 “_____ Act
5 of 2020”.

1 **TITLE I—PUBLIC HOUSING ONE-**
2 **FOR-ONE REPLACEMENT AND**
3 **TENANT PROTECTION**

4 **SEC. 101. SHORT TITLE.**

5 This title may be cited as the “Public Housing One-
6 for-One Replacement and Tenant Protection Act of
7 2017”.

8 **SEC. 102. DEMOLITION AND DISPOSITION OF PUBLIC HOUS-**
9 **ING.**

10 (a) AMENDMENTS TO SECTION 18.—Section 18 of
11 the United States Housing Act of 1937 (42 U.S.C. 1437p)
12 is amended—

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

15 (2) by inserting before subsection (b) (as so re-
16 designated by paragraph (1) of this subsection) the
17 following new subsection:

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

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

23 “(2) the taking of public housing units, directly
24 or indirectly, through the use of eminent domain.”;

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

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

18 (C) by striking paragraph (4);

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

21 (E) in paragraph (6), by striking “sub-
22 section (c)” and inserting “subsection (d)”;

23 (F) by redesignating paragraphs (5) and
24 (6) as paragraphs (4) and (5), respectively; and

(G) by inserting after paragraph (5) (as so redesignated) the following new paragraph:

3 “(6) that the public housing agency has ob-
4 tained from each resident information pursuant to
5 subsection (f)(3)(B) and has established a replace-
6 ment housing preference for each such resident.”;

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

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

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

19 “(3) the application does not provide for the ac-
20 tive involvement and participation of, and consulta-
21 tion with, residents, resident advisory boards, and
22 resident councils of the public housing development
23 that is subject to the application during the planning
24 and implementation of the plan for demolition, relo-
25 cation, and replacement of the units;

1 “(4) the proposed relocation, demolition, dis-
2 position, demolition or disposition or both pursuant
3 to conversion under section 22 or 33, or the provi-
4 sion of replacement housing will not be carried out
5 in a manner that affirmatively furthers fair housing,
6 as described in section 808(e) of the Civil Rights Act
7 of 1968 (42 U.S.C. 3608(e)), or that the measures
8 proposed by the public housing agency to mitigate
9 potential adverse impacts of the proposed relocation,
10 demolition, disposition, demolition or disposition or
11 both pursuant to conversion under section 22 or 33,
12 or the provision of replacement housing on persons
13 protected by section 804 of the Civil Rights Act of
14 1968 (42 U.S.C. 3604), are clearly insufficient or
15 inappropriate; or

16 “(5) the proposed plan for relocation, demoli-
17 tion, disposition, demolition or disposition or both
18 subsequent to conversion pursuant to section 22 or
19 33, or the provision of replacement housing does
20 not—

21 “(A) comply with the requirements of sub-
22 section (e) of this section;

23 “(B) include such certifications as the Sec-
24 retary shall require of compliance with the re-
25 quirements of subsection (f)(3); or

1 “(C) include a relocation plan that meets
2 the requirements of subsection (h)(2).”;

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

6 “(e) REPLACEMENT UNITS.—

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

9 “(A) REPLACEMENT.—Except for demolition
10 pursuant to subsection (g) or as provided
11 in paragraph (2) of this subsection, each public
12 housing dwelling unit that undergoes demolition,
13 disposition, or demolition or disposition or
14 both pursuant to conversion under section 22 or
15 33, or that is the subject of a taking, directly
16 or indirectly, through the use of eminent domain,
17 after the date of the enactment of the
18 Public Housing Tenant Protection and Reinvestment
19 Act of 2017, shall be replaced with a
20 newly constructed, rehabilitated, acquired, or
21 converted rental unit that complies with all of
22 the requirements of this subsection.

23 “(B) REQUIREMENTS APPLICABLE TO RE-
24 PLACEMENT UNITS.—Such replacement or con-
25 verted units shall be subject to the same re-

1 requirements regarding eligibility for occupancy
2 (including income eligibility), tenant contribu-
3 tion toward rent (including tenant authority to
4 select rental payment determination method),
5 eviction protections and procedures, and afford-
6 ability restrictions that are applicable to public
7 housing dwelling units. Such requirements shall
8 not terminate unless units are replaced with a
9 comparable number of units that are subject to
10 the same requirements.

11 “(C) TENANT PROTECTION VOUCHERS TO
12 REPLACE DEMOLISHED, DISPOSED OF, OR CON-
13 VERTED UNITS ON ONE-FOR-ONE BASIS.—Sub-
14 ject only to the availability of amounts provided
15 in appropriation Acts, the Secretary shall pro-
16 vide replacement vouchers for rental assistance
17 under section 8 for all dwelling units in projects
18 that are demolished or disposed of pursuant to
19 this section or converted pursuant to section 22
20 or 33.

21 “(D) INAPPLICABILITY OF CERTAIN
22 PROJECT-BASED VOUCHER REQUIREMENTS.—
23 Subparagraphs (B) and (D) of section 8(o)(13)
24 of the United States Housing Act of 1936 (re-
25 lating to percentage limitation and income mix-

5 “(2) WAIVER.—The requirement under para-
6 graph (1) may be waived by the Secretary with re-
7 spect to up to 10 percent of the total number of
8 public housing units owned by a public housing
9 agency in any 10-year period, if—

10 “(A) a judgment, consent decree, or other
11 order of a court limits the ability of the appli-
12 cant to comply with such requirements; or

13 “(B) the public housing agency dem-
14 onstrates that there is an excess supply of af-
15 fordable rental housing in areas of low poverty
16 and provides data showing that, in the area
17 surrounding the project or projects in which
18 such units are located—

1 not received vouchers, an alternative meas-
2 ure, as the Secretary shall design, is met;

24 “(3) CONTINUATION OF USE RESTRICTIONS.—
25 In the event of a foreclosure or bankruptcy of an

1 owner of such a property, notwithstanding any other
2 provision of State or Federal law, such property
3 shall remain subject to the requirements of any
4 project-based rental assistance contract in existence
5 at the time of the foreclosure or bankruptcy, the
6 lease between the prior owner and tenants assisted
7 under such contract, and any use agreement in ef-
8 fect immediately before the foreclosure or bank-
9 ruptcy filing, and a successor in interest in such
10 property shall assume such contract, extensions,
11 leases, and use agreement obligations, provided that
12 the Secretary may modify this requirement if the
13 Secretary determines that the converted units are
14 not physically viable.

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

20 “(A) Section 578 of the Quality Housing
21 and Work Responsibility Act of 1998 (42
22 U.S.C. 13663; relating to ineligibility of dan-
23 gerous sex offenders).

1 “(B) Section 16(f) of the United States
2 Housing Act of 1937 (42 U.S.C. 1437n(f); re-
3 lating to ineligibility of certain drug offenders).

4 “(C) Sections 20 and 21 of the United
5 States Housing Act of 1937 (42 U.S.C. 1437r,
6 1437s; relating to resident management).

7 “(D) Section 25 of the United States
8 Housing Act of 1937 (42 U.S.C. 1437w; relat-
9 ing to transfer of management at request of
10 residents).

11 “(E) Section 6(k) of the United States
12 Housing Act of 1937 (42 U.S.C. 1437d(k); re-
13 lating to administrative grievance procedure).

14 “(F) Section 6(f) of the United States
15 Housing Act of 1937 (42 U.S.C. 1437d(f); re-
16 lating to housing quality requirements).

17 “(G) Part 964 of title 24, Code of Federal
18 regulations (relating to tenant participation and
19 opportunities).

20 “(5) RETENTION OF RIGHTS.—Tenants occu-
21 pying a replacement housing unit shall have all
22 rights provided to tenants of public housing under
23 this Act.

24 “(6) SIZE.—

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

5 “(B) BEDROOMS.—The number of bed-
6 rooms within each replacement unit shall be
7 sufficient to serve families displaced as a result
8 of the demolition or disposition.

9 “(7) LOCATION ON SITE AND IN NEIGHBOR-
10 HOOD.—

11 “(A) ON-SITE REQUIREMENT RELATING TO
12 DEMOLITION.—Subject to subparagraph (B), at
13 least one-third of all replacement units for pub-
14 lic housing units demolished shall be public
15 housing units constructed on the original public
16 housing location, unless the Secretary deter-
17 mines that—

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

21 “(ii) the land on which the public
22 housing is located is environmentally un-
23 safe or geologically unstable.

24 “(B) TENANT CHOICE.—A public housing
25 agency shall ensure that, in providing replace-

1 ment units pursuant to paragraph (1), suffi-
2 cient units are provided on the original location
3 of any public housing demolished or in the same
4 neighborhood of the public housing dwelling
5 units being replaced to accommodate all tenants
6 residing in the units demolished or disposed of
7 at the time of such demolition or disposition
8 who elect to remain in such location or neigh-
9 borhood.”;

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

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

15 “(f) TREATMENT OF OCCUPANCY.—

16 “(1) CONSOLIDATION OF OCCUPANCY WITHIN
17 OR AMONG BUILDINGS.—Nothing”;

18 (B) by inserting before the period at the
19 end the following: “, except that, a public hous-
20 ing agency submitting an application for demo-
21 lition or disposition pursuant to this section
22 may not consolidate any units during the period
23 that begins upon submission of such application
24 and ends upon approval of the application by

1 the Secretary, except in cases of an imminent
2 and substantial threat to health or safety”; and
3 (C) by adding at the end the following new
4 paragraphs:

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

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

21 “(A) meet with and inform in writing all
22 residents who occupied a public housing unit on
23 the date determined in accordance with para-
24 graph (2) of this subsection of—

1 “(i) the public housing agency’s intent
2 to submit an application for demolition,
3 disposition, or both;

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

6 “(iii) all planned replacement housing
7 units; and

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

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

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

24 “(1) UNIFORM RELOCATION AND REAL PROP-
25 ERTY ACQUISITION ACT.—The Uniform Relocation

1 and Real Property Acquisition Policies Act of 1970
2 (42 U.S.C. 4601 et seq.) shall apply. To the extent
3 the provisions of this subsection and such Act con-
4 flict, the provisions that provide greater protection
5 to residents displaced by the demolition, disposition,
6 or demolition and disposition, shall apply.

7 “(2) RELOCATION PLAN.—The public housing
8 agency shall submit to the Secretary, together with
9 the application for demolition or disposition, a relo-
10 cation plan providing for the relocation of residents
11 occupying the public housing for which the demoli-
12 tion or disposition application is proposed, which
13 shall include—

14 “(A) a statement of the estimated number
15 of vouchers for rental assistance under section
16 8 that will be needed for such relocation;

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

20 “(C) a statement of whether any tem-
21 porary, off-site relocation of any residents is
22 necessary and a description of the plans for
23 such relocation.

24 “(3) NOTICE UPON APPROVAL OF APPLICA-
25 TION.—Within a reasonable time after notice to the

1 public housing agency of the approval of an applica-
2 tion for demolition or disposition, the public housing
3 agency shall provide notice in writing, in plain and
4 non-technical language, to the residents of the public
5 housing subject to the approved application that—

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

8 “(B) describes the process involved to relo-
9 cate the residents, including a statement that
10 the residents may not be relocated until the
11 conditions set forth in paragraph (10) have
12 been met;

13 “(C) provides information regarding relo-
14 cation options;

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

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

20 “(4) NOTICE BEFORE RELOCATION.—Except in
21 cases of a substantial and imminent threat to health
22 or safety, not later than 90 days before the date on
23 which residents will be relocated, the public housing
24 agency shall provide notice in writing, in plain and
25 non-technical language, to each family residing in a

1 public housing project that is subject to an approved
2 demolition or disposition application, and in accord-
3 ance with such guidelines as the Secretary may issue
4 governing such notifications, that—

5 “(A) the public housing project will be de-
6 molished or disposed of;

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

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

14 “(i) that meets housing quality stand-
15 ards;

16 “(ii) that is located in an area that is
17 generally not less desirable than the loca-
18 tion of the displaced family’s housing,
19 which shall include at least one unit lo-
20 cated in an area of low poverty and one
21 unit located within the neighborhood of the
22 original public housing site;

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

25 “(iv) which shall include—

1 “(I) tenant-based assistance, ex-
2 cept that the requirement under this
3 subparagraph regarding offering of
4 comparable housing shall be fulfilled
5 by use of tenant-based assistance only
6 upon the relocation of the family into
7 such housing;

8 “(II) project-based assistance;

9 “(III) occupancy in a unit oper-
10 ated or assisted by the public housing
11 agency at a rental rate paid by the
12 family that is comparable to the rent-
13 al rate applicable to the unit from
14 which the family is relocated; and

15 “(IV) other comparable housing.

16 “(5) SEARCH PERIOD.—Notwithstanding any
17 other provision of law, in the case of a household
18 that is provided tenant-based assistance for reloca-
19 tion of the household under this section, the period
20 during which the household may lease a dwelling
21 unit using such assistance shall not be shorter in du-
22 ration than the 150-day period that begins at the
23 time a comparable replacement unit is made avail-
24 able to the family. If the household is unable to lease
25 a dwelling unit using such assistance during such

1 period, the public housing agency shall extend the
2 period during which the household may lease a
3 dwelling unit using such assistance, or at the ten-
4 ant's request, shall provide the tenant with the next
5 available comparable public housing unit or com-
6 parable housing unit for which project-based assist-
7 ance is provided.

8 “(6) PAYMENT OF RELOCATION EXPENSES.—
9 The public housing agency shall provide for the pay-
10 ment of the actual and reasonable relocation ex-
11 penses, including security deposits, of each resident
12 to be displaced and any other relocation expenses as
13 are required by the Uniform Relocation Assistance
14 and Real Property Acquisition Policies Act of 1970.

15 “(7) COMPARABLE HOUSING.—The public hous-
16 ing agency shall ensure that each displaced resident
17 is offered comparable housing in accordance with the
18 notice under paragraph (4).

19 “(8) COMPREHENSIVE RELOCATION COUN-
20 SELING.—The public housing agency shall provide
21 all advisory programs and services as required by
22 the Uniform Relocation Assistance and Real Prop-
23 erty Acquisition Policies Act of 1970 and counseling
24 for residents who are displaced that shall fully in-
25 form residents to be displaced of all relocation op-

1 tions, which may include relocating to housing in a
2 neighborhood with a lower concentration of poverty
3 than their current residence, a neighborhood where
4 relocation will not increase racial segregation, or re-
5 maining in the current neighborhood. Such coun-
6 seling shall also include providing school options for
7 children and comprehensive housing search assist-
8 ance for household that receive a voucher for tenant-
9 based assistance.

10 “(9) TIMING OF DEMOLITION OR DISPOSI-
11 TION.—The public housing agency shall not com-
12 mence demolition or complete disposition of a build-
13 ing subject to the approved application until all resi-
14 dents residing in the building are relocated.

15 “(10) AFFIRMATIVE FURTHERANCE OF FAIR
16 HOUSING.—The public housing agency shall have ob-
17 tained data regarding, and analyzed the potential
18 impact of, the proposed demolition or disposition
19 and relocation on persons protected by section 804
20 of the Civil Rights Act of 1968 (42 U.S.C. 3604),
21 including the tenants residing in the public housing
22 project, occupants of the surrounding neighborhood,
23 and neighborhoods into which project tenants are
24 likely to be relocated, and persons on the agency’s
25 waiting list, has described in the application for

1 demolition or disposition actions that the public
2 housing agency has taken or will take to mitigate
3 those adverse impacts, and has certified in the pub-
4 lic housing agency plan for the agency, with sup-
5 porting information, that the proposed demolition or
6 disposition, relocation, or replacement housing will
7 be carried out in a manner that affirmatively fur-
8 thers fair housing, as described in section 808(e) of
9 the Civil Rights Act of 1968 (42 U.S.C. 3608(e)).

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

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

22 (8) in subsection (i) (as so redesignated by
23 paragraph (1) of this subsection), by striking “may”
24 and inserting “shall”; and

1 (9) by adding at the end the following new sub-
2 sections:

3 "(j) RIGHT OF RETURN.—

4 “(1) RIGHT.—Any person who, on the date de-
5 termined in accordance with subsection (f)(2), occu-
6 pies a public housing unit that is the subject of an
7 application for demolition, disposition, or demolition
8 or disposition or both subsequent to conversion pur-
9 suant to section 22 or 33, and whose tenancy or
10 right of occupancy has not been validly terminated
11 pursuant to section 6 or 8(o), shall be eligible to oc-
12 cupy a replacement federally assisted housing unit
13 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

1 replacement dwelling unit is made available to any
2 other eligible household.

3 “(k) ENFORCEMENT.—Any affected person shall
4 have the right to enforce this section pursuant to section
5 1979 of the Revised Statutes of the United States (42
6 U.S.C. 1983). Nothing in this section may be construed
7 to limit the rights and remedies available under State or
8 local law to any affected person.”.

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

17 **SEC. 103. AUTHORITY TO CONVERT PUBLIC HOUSING TO**
18 **VOUCHERS.**

19 Section 22 of the United States Housing Act of 1937
20 (42 U.S.C. 1437t) is amended—

21 (1) in subsection (b), by striking paragraph (3);
22 (2) by adding at the end the following new sub-
23 section:

24 “(g) ADMINISTRATION.—

1 “(1) IN GENERAL.—The Secretary may require
2 a public housing agency to provide to the Secretary
3 or to public housing residents such information as
4 the Secretary considers to be necessary for the ad-
5 ministration of this section.

6 “(2) APPLICABILITY OF SECTION 18.—Section
7 18 shall apply to the subsequent demolition or dis-
8 position of public housing dwelling units removed
9 from the inventory of the public housing agency pur-
10 suant to this section.”; and

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

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

20 SEC. 105. LIMITATION OF PUBLIC HOUSING DWELLING
21 UNITS.

22 Notwithstanding any other provision of law, section
23 85.31 of the regulations of the Secretary of Housing and
24 Urban Development (24 C.F.R. 85.31) and any regula-
25 tions implementing subpart B of part 970 of the Sec-

1 retary's proposed regulations published in the Federal
2 Register on October 16, 2014 (79 Fed. Reg. 62250; Dock-
3 et No. FR-5399-P-01) or any substantially similar regu-
4 lations shall not apply to real property that includes any
5 dwelling units in public housing.

6 **SEC. 106. REGULATIONS.**

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

12 **TITLE II—PUBLIC HOUSING
13 PRESERVATION AND REHA-
14 BILITATION**

15 **SEC. 201. LEVERAGING OF OTHER ASSISTANCE.**

16 (a) CAPITAL FUND LOAN GUARANTEES.—Subsection
17 (d) of section 9 of the United States Housing Act of 1937
18 (42 U.S.C. 1437g(d)) is amended by adding at the end
19 the following new paragraph:

20 “(4) LOAN GUARANTEES.—

21 “(A) AUTHORITY.—The Secretary may,
22 upon such terms and conditions as the Sec-
23 retary may prescribe, guarantee and make com-
24 mitments to guarantee notes or other obliga-

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

1 “(D) USE OF CAPITAL AND OPERATING
2 FUNDS.—Funds allocated to an issuer pursuant
3 to this subsection or subsection (e) may be used
4 for payment of principal and interest due (in-
5 cluding such servicing, underwriting, or other
6 costs as may be specified in regulations of the
7 Secretary) on notes or other obligations guaran-
8 teed pursuant to this paragraph.

9 “(E) REPAYMENT.—

10 “(i) CONTRACT; PLEDGE.—To ensure
11 the repayment of notes or other obligations
12 guaranteed under this paragraph and
13 charges incurred under this paragraph and
14 as a condition for receiving such guaran-
15 tees, the Secretary shall require the issuer
16 of any such note or obligation to—

17 “(I) enter into a contract, in a
18 form acceptable to the Secretary, for
19 repayment of notes or other obliga-
20 tions so guaranteed; and

21 “(II) pledge any grant or alloca-
22 tion for which the issuer is or may be-
23 come eligible under this subsection or
24 subsection (e) for the repayment of

1 notes or other obligations so guaran-
2 teed.

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

19 “(G) AMOUNT.—Subject only to the ab-
20 sence of qualified requests for guarantees and
21 to the availability of amounts to cover the costs
22 (as such term is defined in section 502 of the
23 Federal Credit Reform Act of 1990 (2 U.S.C.
24 661a)), as are provided in advance in appro-
25 priation Acts, the Secretary shall enter into

1 commitments to guarantee notes and obliga-
2 tions under this paragraph having an aggregate
3 principal amount of \$500,000,000 each for fis-
4 cal years 2021, 2022, and 2023.”.

5 (b) REQUIREMENTS FOR PROPERTIES WITH HOUS-
6 ING TAX CREDITS.—Section 9 of the United States Hous-
7 ing Act of 1937 (42 U.S.C. 1437g) is amended by adding
8 at the end the following new subsection:

9 “(p) REQUIREMENTS FOR PROPERTIES WITH HOUS-
10 ING TAX CREDITS.—A public housing agency that utilizes
11 tax credits under section 42 of the Internal Revenue Code
12 of 1986 for rental housing units that are currently or for-
13 merly assisted under subsection (d) or (e) shall ensure,
14 with respect to such units, that—

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

17 “(2) the agency retains its interest in the prop-
18 erty to the maximum extent possible, including
19 through the use of a ground lease when feasible;

20 “(3) the agency maintains an active role in
21 property management decisions and operations of
22 such housing sufficient to guarantee access to rel-
23 evant information and public accountability;

1 “(4) long-term affordability protections are en-
2 forced, including such protections applicable in the
3 event of default or foreclosure; and

4 “(5) affected tenants are provided information
5 about the proposal for use of the property, before
6 submission of the proposal to the Secretary, and an
7 opportunity to comment on such proposal, pursuant
8 to processes and requirements that are substantially
9 similar to the requirements for tenant notice and
10 comment under section 18.”.

11 **SEC. 202. CAPITAL FUND FLEXIBILITY.**

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

15 **TITLE III—AFFORDABLE HOUS-
16 ING PRESERVATION PRO-
17 GRAM**

18 **SEC. 301. AUTHORIZATION OF PROGRAM.**

19 Title I of the United States Housing Act of 1937 (42
20 U.S.C. 1437 et seq.) is amended by adding at the end
21 the following new section:

22 **“SEC. 39. AFFORDABLE HOUSING PRESERVATION PRO-
23 GRAM; FIRST COMPONENT.**

24 “(a) CONVERSION OF ASSISTANCE.—To provide as-
25 sistance to preserve and improve public housing and cer-

1 tain other multifamily housing through the voluntary con-
2 version of properties with assistance under section 9 of
3 this Act, or the moderate rehabilitation program under
4 section 8(e)(2) of this Act, to properties with assistance
5 under a project-based subsidy contract under section 8 of
6 this Act, which shall be eligible for renewal under section
7 524 of the Multifamily Assisted Housing Reform and Af-
8 fordability Act of 1997 or assistance under section
9 8(o)(13) of this Act, the Secretary may carry out a pro-
10 gram under this title (in this section referred to as the
11 'Program') to transfer amounts provided through con-
12 tracts under section 8(e)(2) or for the Public Housing
13 Capital Fund and the Public Housing Operating Fund
14 under subsections (d) and (e), respectively, of section 9
15 of this Act for use for tenant-based rental assistance or
16 project-based rental assistance under section 8 of this Act.

17 "(b) INITIAL LONG-TERM CONTRACT.—The initial
18 long-term contract under which assistance converted pur-
19 suant to subsection (a) is made available may allow for
20 rental adjustments only by an operating cost factor estab-
21 lished by the Secretary, and shall be subject to the avail-
22 ability of appropriations for each year of such term.

23 "(c) TERM OF PROGRAM.—The Secretary may re-
24 ceive project applications under the Program until Sep-
25 tember 30, 2024.

1 “(d) BUDGET COMPLIANCE.—Any increase in costs
2 for tenant-based rental assistance or project-based rental
3 assistance associated with such conversion under the Pro-
4 gram in excess of amounts made available to carry out
5 such program shall be equal to amounts transferred from
6 the Public Housing Capital Fund and the Public Housing
7 Operating Fund or from any other account of the Depart-
8 ment of Housing and Urban Development from which it
9 was transferred.

10 “(e) SCOPE OF PROGRAM.—Not more than 455,000
11 dwelling units receiving assistance under section 9 or sec-
12 tion 8(e)(2) of United States Housing Act of 1937 may
13 be converted under the Program.

14 “(f) TENANT PROTECTIONS.—

15 “(1) PUBLIC HOUSING TENANTS.—Tenants of
16 properties with assistance converted under this sec-
17 tion from assistance under section 9 shall, at a min-
18 imum, maintain the same rights under such conver-
19 sion as those provided under sections 6 and 9 of this
20 Act and implementing regulations, including eligi-
21 bility for tenant-based rental assistance in the form
22 of a choice mobility voucher after one year, contin-
23 gent on availability and limits established by the
24 Secretary, with housing mobility counseling provided
25 to maximize housing choice.

1 “(2) PUBLIC HOUSING AND MODERATE REHA-
2 BILITATION TENANTS.—Tenants of properties with
3 assistance converted from assistance under section 9
4 or section 8(e)(2) shall—

5 “(A) have the right to establish and oper-
6 ate a resident organization for the purpose of
7 addressing issues related to their living environ-
8 ment, which includes the terms and conditions
9 of their tenancy; and

10 “(B) be provided \$25 per occupied unit an-
11 nually for resident participation.

12 “(g) COMPETITION.—

13 “(1) IN GENERAL.—The Secretary shall select
14 properties from applications for conversion as part
15 of the Program a competitive process.

16 “(2) CRITERIA FOR SELECTION.—In estab-
17 lishing criteria for such competition, the Secretary
18 shall seek to demonstrate the feasibility of this con-
19 version model to recapitalize and operate public
20 housing properties—

21 “(A) in different markets and geographic
22 areas;

23 “(B) within portfolios managed by public
24 housing agencies of varying sizes; and

1 “(C) by leveraging other sources of fund-
2 ing to recapitalize properties.

3 “(3) PRIORITY.—In such competition, priority
4 shall be given to applications that involve substantial
5 rehabilitation that—

6 “(A) involves the improvement of a prop-
7 erty to decent, safe, and sanitary condition in
8 accordance with the Secretary’s standards from
9 a condition below such standards;

10 “(B) may vary in degree from gutting and
11 extensive reconstruction to the cure of substan-
12 tial accumulation of deferred maintenance, ex-
13 cept that cosmetic improvements alone shall not
14 qualify as substantial rehabilitation under this
15 paragraph; and

16 “(C) may also include renovation, alter-
17 ation, or remodeling for the conversion or adap-
18 tation of structurally sound property to the de-
19 sign and condition required for use under this
20 section or the repair or replacement of major
21 building systems or components in danger of
22 failure.

23 “(h) OPPORTUNITY TO COMMENT; AVAILABILITY OF
24 INFORMATION.—

1 “(1) PUBLIC COMMENT.—The Secretary shall
2 provide an opportunity for public comment on draft
3 eligibility and selection criteria and procedures that
4 shall apply to the selection of properties that will
5 participate in the Program.

6 “(2) RESIDENT COMMENT.—The Secretary
7 shall provide an opportunity for comment from resi-
8 dents of properties to be proposed for participation
9 in the Program to the owners or public housing
10 agencies responsible for such properties.

11 “(3) MEETINGS.—The Secretary shall require
12 all public housing agencies to hold substantive meet-
13 ings with residents in a place accessible to residents
14 to solicit public comment, including holding at least
15 two meetings at each of the following stages of con-
16 version:

17 “(A) Prior to submitting an application.

18 “(B) After the Secretary issues a commit-
19 ment to enter into a housing assistance pay-
20 ment contract is issued and not later than 60
21 days before the submission of a financing plan.

22 “(C) After the Secretary issues a conver-
23 sion commitment under the Program and not
24 later than 60 days before the closing under the
25 program.

1 “(D) Within 60 days of closing.

2 “(E) On a calendar quarterly basis during
3 rehabilitation or construction.

4 “(F) When residents become eligible for
5 choice mobility vouchers.

6 “(4) AVAILABILITY OF INFORMATION.—The
7 Secretary shall make immediately available to resi-
8 dents free of charge, on its website and upon re-
9 quest, key documents regarding the conversion
10 under this section for a property, including—

11 “(A) the application for participation in
12 the Program;

13 “(B) the commitment to enter into a hous-
14 ing assistance payments contract;

15 “(C) the front-end civil rights review;

16 “(D) the relocation plan; and

17 “(E) the conversion commitment.

18 “(i) SECTION 3 APPLICABILITY.—The Secretary shall
19 require that section 3 of the [Housing and Urban Devel-
20 opment Act of 1968 (12 U.S.C. 1701u)?] shall apply to
21 all properties converted from assistance under the Pro-
22 gram.

23 “(j) WAIVER; ALTERNATIVE REQUIREMENTS.—

24 “(1) AUTHORITY.—The Secretary may waive or
25 specify alternative requirements for (except for re-

1 requirements related to fair housing, nondiscrimination,
2 labor standards, and the environment) any provision
3 of section 8(o)(13) or any provision that governs
4 the use of assistance from which a property is
5 converted under the Program or funds made available
6 under for the Public Housing Capital Fund, the
7 Public Housing Operating Fund, and project-based
8 rental assistance, under this Act or any prior Act or
9 any Act enacted during the period of conversion of
10 assistance under program for properties with assistance
11 converted under the program, upon a finding
12 by the Secretary that any such waivers or alternative
13 requirements are necessary for the effective conversion
14 of assistance under the program.

15 “(2) PUBLICATION.—The Secretary shall publish by notice in the Federal Register any waivers or
16 alternative requirements pursuant to paragraph (1)
17 not later than 10 days before the effective date of
18 such notice.

20 “(k) IMPLEMENTATION.—The Program may proceed
21 after the Secretary publishes notice of its terms in the
22 Federal Register.

23 “(l) TENANT PROTECTIONS.—Notwithstanding sections 3 and 16 of this Act, the conversion of assistance
24 under the Program shall not be the basis for re-screening

1 or termination of assistance or eviction of any tenant fam-
2 ily in a property participating in the program, and such
3 a family shall not be considered a new admission for any
4 purpose, including compliance with income targeting re-
5 quirements, nor shall any tenant family be considered to
6 have left the housing program solely due to the conversion,
7 including compliance with Enterprise Income Verification:
8 13b.

9 “(m) RELOCATION PLAN.— Notwithstanding all resi-
10 dent rights afforded by the Uniform Relocation Assistance
11 and Real Property Acquisition Policies Act of 1970 (42
12 U.S.C. 4601 et seq) and its implementing regulations, in
13 the case of any conversion under which relocation is antici-
14 pated, whether temporary or permanent, a written reloca-
15 tion plan developed in consultation with residents shall be
16 submitted to the Secretary before converting.

17 “(n) INAPPLICABILITY OF REPLACEMENT REQUIRE-
18 MENTS.—In the case of a property with assistance con-
19 verted under the Program from assistance under section
20 9 of this Act—

21 “(1) section 18 of this Act shall not apply to a
22 property converting under the program for all or
23 substantially all of its units;

24 “(2) the Secretary shall require ownership or
25 control of assisted units by a public or nonprofit en-

1 tity except as determined by the Secretary to be nec-
2 essary pursuant to foreclosure, bankruptcy, or termi-
3 nation and transfer of assistance for material viola-
4 tions or substantial default, in which case the pri-
5 ority for ownership or control shall be provided to a
6 capable public or nonprofit entity, then a capable en-
7 tity, as determined by the Secretary, shall require
8 long-term renewable use and affordability restric-
9 tions for assisted units, and may allow ownership to
10 be transferred to a for-profit entity to facilitate the
11 use of tax credits only if the public housing agency
12 or a nonprofit entity preserves an interest in the
13 property in a manner approved by the Secretary,
14 and upon expiration of the initial contract and each
15 renewal contract, the Secretary shall offer and the
16 owner of the property shall accept renewal of the
17 contract subject to the terms and conditions applica-
18 ble at the time of renewal and the availability of ap-
19 propriations each year of such renewal;

20 “(3) a public, nonprofit or other entity that re-
21 tains ownership, control, or interest in the property
22 being converted shall be subject to public trans-
23 parency laws; and

24 “(4) the Secretary may permit transfer of as-
25 sistance at or after conversion under the program to

1 replacement units subject to the requirements in this
2 subsection, but shall not authorize the reduction in
3 the number of assisted units.

4 “(o) REQUIREMENTS.—The Secretary may establish
5 the requirements for converted assistance under the Pro-
6 gram through contracts, use agreements, regulations, or
7 other means.

8 “(p) REMOVAL OF HAP CONTRACT.—In the case of
9 a property with assistance converted under the Program
10 from assistance under section 9 of this Act, the use agree-
11 ment shall require that in the event the housing assistance
12 payments contract is removed due to breach, noncompli-
13 ance, or insufficiency of appropriations, for all units pre-
14 viously covered under such contract, new tenants shall
15 have incomes at or below 50 percent of the area mean
16 income at the time of admission and rents may not exceed
17 30 percent of 50 percent of the area median income for
18 an appropriate-size unit for the remainder of the term of
19 the use agreement under the program.

20 “(q) MODEL LEASE.—The Secretary shall develop
21 and require use of a model lease for use at all conversions
22 of assistance under the Program.

23 “(r) FINDINGS; REPORTS.—

24 “(1) FINDINGS.—The Secretary shall assess
25 and publish findings regarding—

1 “(A) the impact of the conversion of assistance under the Program on the preservation and improvement of public housing;

4 “(B) the amount of private sector leveraging as a result of such conversion; and

6 “(C) the effect of such conversion on tenants.

8 “(2) ANNUAL REPORTS TO CONGRESS.—The Secretary shall report to the Congress on an annual basis on the impact of the Program, including—

11 “(A) the number and percentage of tenants who have exercised their right to remain at the converted property;

14 “(B) the number and percentage of tenants who are eligible to and have exercised their choice mobility rights;

17 “(C) the number and percentage of units that have transferred assistance and the census tracts from which and to which the properties have transferred;

21 “(D) the number of conversions under investigation by the Secretary;

23 “(E) all post-conversion findings of non-compliance by the Secretary and amount of any formal settlements;

1 “(F) certifications that the requirements of
2 section 3 of the [Housing and Urban Develop-
3 ment Act of 1968 (12 U.S.C. 1701u)?] have
4 been met in converted properties; and

5 “(G) public and private funds leveraged
6 and their sources.

7 “(3) QUARTERLY REPORTS TO CONGRESS.—
8 The Secretary shall report to the Congress on a cal-
9 endar quarterly basis on the address and location of
10 all residents of properties with assistance converted
11 under the Program, redacted as necessary, including
12 households that cannot be located or are no longer
13 assisted by the Department of Housing and Urban
14 Development.

15 **“SEC. 40. AFFORDABLE HOUSING PRESERVATION PRO-**
16 **GRAM; SECOND COMPONENT.**

17 “(a) CONVERSION OF ASSISTANCE.—Owners of prop-
18 erties assisted under section 101 of the Housing and
19 Urban Development Act of 1965, section 236(f)(2) of the
20 National Housing Act, or section 8(e)(2) of the United
21 States Housing Act of 1937, for which an event after Oc-
22 tober 1, 2006 has caused or results in the termination of
23 rental assistance or affordability restrictions and the
24 issuance of tenant protection vouchers under section 8(o)
25 of this Act, or with a project rental assistance contract

1 under section 202(c)(2) of the Housing Act of 1959, shall
2 be eligible, subject to requirements established by the Sec-
3 retary, including the subordination, restructuring, or both,
4 of any capital advance documentation, including any note,
5 mortgage, use agreement, or other agreement evidencing
6 or securing a capital advance previously provided by the
7 Secretary under section 202(c)(1) of the Housing Act of
8 1959 as necessary to facilitate the conversion of assistance
9 while maintaining the affordability period and designation
10 of the property as serving elderly persons, and, tenant con-
11 sultation procedures, for conversion of assistance available
12 for such vouchers or assistance contracts to assistance
13 under a long-term project-based subsidy contract under
14 section 8 of this Act or, subject to agreement of the ad-
15 ministering public housing agency, to assistance under
16 section 8(o)(13) of this Act.

17 “(b) SECTION 8 CONTRACTS.—A long-term section 8
18 contract provided in connection with a conversion of as-
19 sistance under this section shall—

20 “(1) have a term of not less than 20 years;
21 “(2) provide for rent adjustments only by an
22 operating cost factor established by the Secretary;
23 “(3) be eligible for renewal under section 524
24 of the Multifamily Assisted Housing Reform and Af-
25 fordability Act of 1997 (42 U.S.C. 1437f note).

1 “(c) PHA PROJECT-BASED ASSISTANCE.—In the
2 case of assistance under section 8(o)(13) of this Act pro-
3 vided in connection with a conversion of assistance under
4 this section—

5 “(1) the limitation under subsection (B) of sec-
6 tion 8(o)(13) (relating to percentage limitation) shall
7 not apply; and

8 “(2) the Secretary of Housing and Urban De-
9 velopment may waive or alter the provisions of sub-
10 paragraphs (C) and (D) of section 8(o)(13) (relating
11 to public housing agency plans and income-mixing
12 requirements).

13 “(d) RENTS IN HIGH-COST AREAS.—Contracts pro-
14 vided under this section for properties converting assist-
15 ance from section 101 of the Housing and Urban Develop-
16 ment Act of 1965 or section 236(f)(2) of the National
17 Housing Act that are located in high-cost areas shall have
18 initial rents set at comparable market rents for the market
19 area.

20 “(e) TENANT PROTECTIONS.—Conversions of assist-
21 ance under this section shall not be the basis for re-screen-
22 ing or termination of assistance or eviction of any tenant
23 family in a property participating in the demonstration
24 and such a family shall not be considered a new admission
25 for any purpose, including compliance with income tar-

1 geting, nor shall any tenant family be considered to have
2 left the housing program solely due to the conversion, in-
3 cluding compliance with enterprise income verification.

4 “(f) ELIGIBILITY FOR TENANT-MOBILITY VOUCH-
5 ERS.—Tenants of such properties with assistance con-
6 verted under this section from assistance under ~~【section~~
7 ~~9?】~~ shall be eligible for tenant-based rental assistance in
8 the form of a choice mobility voucher after one year, con-
9 tingent on availability and limits set by the Secretary, with
10 housing mobility counseling provided to maximize housing
11 choice.

12 “(g) FUNDING.—

13 “(1) AVAILABILITY OF RENTAL ASSISTANCE
14 AMOUNTS.—Amounts made available to the Sec-
15 retary for rental housing assistance during the pe-
16 riod of conversion under this section, except for con-
17 version of Section 202 project rental assistance con-
18 tracts, shall be available for project-based subsidy
19 contracts entered into pursuant to this section.

20 “(2) RECAPTURED AMOUNTS.—Amounts, in-
21 cluding contract authority, recaptured from con-
22 tracts following a conversion under this section, ex-
23 cept for conversion of rental assistance contracts
24 under section 202 of the Housing Act of 1959, are
25 hereby rescinded and an amount of additional new

1 budget authority equivalent to the amount rescinded
2 is [hereby appropriated?], to remain available until
3 expended for such conversions.

4 **“(3) TRANSFER AUTHORITY.—**

5 **“(A) RENTAL HOUSING ASSISTANCE .—**
6 The Secretary may transfer amounts made
7 available to the Secretary for rental housing as-
8 sistance, amounts made available to the Sec-
9 retary for tenant-based housing assistance for
10 tenant protection vouchers and specifically asso-
11 ciated with any such conversions, and amounts
12 made available under paragraph (2) as needed
13 for project-based rental assistance to facilitate
14 conversion under this section, except for conver-
15 sion of project rental assistance contracts under
16 section 202 of the Housing Act of 1959, and
17 any increase in cost for project-based rental as-
18 sistance associated with such conversion shall
19 be equal to amounts so transferred.

20 **“(B) HOUSING FOR THE ELDERLY.—**The
21 Secretary may transfer amounts made available
22 for housing for the elderly for use for project-
23 based rental assistance or for tenant-based
24 rental assistance to facilitate conversion under
25 this section of any project rental assistance con-

1 tract under section 202 of the Housing Act of
2 1959, and any increase in cost for project-based
3 rental assistance or tenant-based rental assist-
4 ance associated with such conversion shall be
5 equal to amounts so transferred.

6 “(4) GAO STUDY.—With respect to the pre-
7 ceding provisions of this subsection, the Comptroller
8 General of the United States shall conduct a study
9 of the long-term impact of the fiscal year [2012 and
10 2013?] conversion of tenant protection vouchers to
11 assistance under section 8(o)(13) of this Act on the
12 ratio of tenant-based vouchers to project-based
13 vouchers.

14 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
15 is authorized to be appropriated to the Secretary such
16 sums as may be necessary to carry out this section, includ-
17 ing—

18 “(1) for providing technical assistance to public
19 housing agencies and property owners to establish
20 and improve capacity for asset management for con-
21 versions under this section;

22 “(2) to hire and support staff of the Depart-
23 ment of Housing and Urban Development who are
24 trained and responsible for monitoring compliance

1 with all resident participation provisions and reloca-
2 tion requirements; and
3 “(3) to authorize rental adjustments if above
4 the [OCF?].”.

5 **SEC. 302. REPEAL OF RENTAL ASSISTANCE DEMONSTRA-
6 TION PROGRAM.**

7 Title II of the Transportation, Housing and Urban
8 Development, and Related Agencies Appropriations Act,
9 2012 (division C of Public Law 112–55; 125 Stat. 673)
10 is amended by striking the heading relating to “Rental
11 Assistance Demonstration”.