



# REAC Inspections Improvement Act

## Sponsor:

**HOUSE** -- Congresswoman Yvette Clarke (D-NY) is drafting language to her bill "Real Estate Assessment Center Inspection Act"

## Bill preview:

**HOUSE** -- This REAC inspections bill was instigated by Representative Clarke after hearing about REAC inspection issues in New York City public housing. Her interest was further sparked by a PHADA *Advocate* article about issues raised about REAC inspections at a June 2008 panel at the PHADA conference in New Orleans.



Rep. Yvette Clarke

The bill has been through a couple major rewrites as the Congresswoman tries to strike the right balance between key interests of housing authorities and those of multifamily housing. As it stands now, the bill contains some features of limited interest to housing authorities, while other topics are still being debated. PHADA is hopeful that the proposed bill will eventually produce some real improvements to the flawed REAC inspections program. The most recent draft of the proposed bill calls for:

- o Realigning REAC by moving it out from under the PIH Assistant Secretary and making it answerable directly to the HUD Secretary.
- o Re-establishes a REAC Advisory Task Force to review and make recommendation about REAC inspections, the scoring system and related issues.
- o Requires PHAs and owners to give REAC more advance notice of offline units.
- o Provides enough advance notice so that PHAs and owners have at least 14 days to notify residents of inspections.
- o Provides inspections every 3 years for high performing PHAs, every 2 years for scores of 80 to 89 points; and annually for scores of 79 or below.

- o Establishes a requirement that inspectors carry a certificate of insurance in the amount of \$2 million and naming the inspection property as the insured to cover any damage caused by the inspector during the inspection.
- o Inspectors would be required to identify, but not score deficiencies on items (the agency certifies in writing) not owned by the agency, such as fences, sidewalks, vegetation and alleys; items owned by residents; any condition noted in an elevator or mechanical room that is locked and restricted for use by authorized personnel only and tenant caused damage as a result of tenant housekeeping, active eviction or other legal matters.
- o A requirement that HUD factor the impact of chronic underfunding of public housing on the physical inspection score and make necessary adjustments to scores.

Draft language items still under discussion include:

- o An opportunity for public housing authorities to request a re-inspection before the establishment of a final REAC score.
- o The ability of agencies to select inspectors from a roster of qualified, HUD-trained and certified inspectors.
- o Convenes a Federal advisory committee ("FACA"), to review all REAC regulations, notices and definitions of physical deficiencies.

**PHADA is hopeful that the proposed bill will eventually produce some real improvements to the flawed REAC inspections program.**

Since Congresswoman Clarke is not a member of the House authorizing committee for public housing, she will need to find another House sponsor to introduce the bill. There were mixed feeling among groups working on the bill about moving the bill quickly or allowing the new Administration time to recognize the problems with REAC, inspections, scoring, software and duplication with the latest proposed PHAS rules and to propose its own solutions. ■