

# FY 2017 Authorizing Legislation

## PHADA Top Priorities May Move to Next Session

PHADA'S HIGHEST PRIORITY IS LEGISLATION: 1) that streamlines the oversight of PHAs, 2) that reduces the size of the regulatory burden, and 3) that frees housing agencies to preserve or expand their affordable housing inventories for current residents and those waiting for affordable housing. Congress passed H.R. 3700, the Housing Opportunity Through Modernization Act (HOTMA) just before Congress adjourned in July. **HOTMA provides some helpful measures for PHAs, but because of the limited time available after recess it could be the last housing-related bill passed in the current session.** PHADA's top three priorities listed below will likely need to be re-introduced in the next session that begins in January.

### 1. SHARP Bills

**S. 2292** (Tester, D-MT; Fischer, R-NE) and **H.R. 4816** (Palazzo, R-MS; Ashford, D-NE; Bishop, D-GA) – **Small Public Housing Agency Opportunity Act (SHARP)**

Passage of SHARP legislation would have positive and consequential impact on more than 2,700 small agencies nationwide. SHARP – “MTW for small agencies” – would create new efficiencies and cost savings at housing agencies and at HUD as the Department “right-sized” its monitoring of small, low-risk agencies. SHARP is good governance and commonsense legislation that is especially needed now when funding is dangerously low and the regulatory burden is enormous.

PHADA strongly supports both bills. The Senate bill, S. 2292 has 10 co-sponsors; the House bill has 39 co-sponsors. Please urge your Senators and Representative to sign onto the bills!

### 2. Moving To Work

**H.R. 5137 – Moving To Work Reform and Expansion Act** (Majority Leader McCarthy, R-CA)

This bill would deem all but troubled PHAs eligible to participate in the successful Moving To Work program. It would allow 25 housing agencies to enter the MTW program annually. Importantly, the bill would allow

agencies to operate more efficiently by eliminating many of HUD's regulatory and reporting excesses that burden the traditional public housing program.

Leader McCarthy hopes that the bill will provide many more housing authorities the opportunity to identify and implement their own local reforms that best suit the needs of their communities. PHADA supports H.R. 5137 and urges members to talk to their Representative about supporting the bill. There is no companion Senate bill.

### 3. Housing Tax Credit

**S. 2962** and **S. 3237 – Affordable Housing Credit Improvement Act** (Cantwell, D-WA; Hatch, R-UT)

These bills would expand the Low Income Housing Tax Credit (LIHTC) incrementally over five years in order to boost affordable housing production nationwide. The Treasury housing tax credit program attracts private debt and equity to create approximately 100,000 rental housing units annually for working-poor households. S. 2962 would raise the current \$1.75 per capita amount for annual state allocations to \$3.53 by 2020. This expansion in available housing tax credits might make it easier for PHA housing development and RAD-conversion properties to compete for and secure critically needed tax credit equity. PHADA supports the Cantwell/Hatch tax credit bills.

## Health and Safety

The Flint, MI, water contamination crisis has spurred the introduction of bills to address lead in the environment and in federally assisted housing. It is too early to know the impact or costs associated with these proposals on public housing and voucher units.

**S. 2631** (Durbin, D-IL; Menendez, D-NJ) and **H.R. 4694** (Ellison, D-MN) – **Lead-Safe Housing for Kids Act**. Requires that HUD update its lead-contaminated dust and soil standards to the Center for Disease Control (CDC) levels. Requires an assessment of all assisted housing built before 1978 where children under the age 6 live or might live. The bills also offer emergency relocation of families with young children if lead exposure is identified. They call for a GAO report on the magnitude and costs of lead contamination.

**S. 2821 – True LEADership Act** (Cardin, D-MD). A comprehensive bill that addresses lead in water, infrastructure and homes. The bill includes S. 2631 – *Lead Safe Housing for Kids Act* – as a subtitle. It also offers several responses to the Flint lead poisoning crisis like water infrastructure financing, school testing grants and mitigating the effects of lead in children.

There is also proposed legislation that would create more unfunded mandates for housing agencies. These are bills that do not preserve existing housing resources or provide new housing opportunities. They neither improve the quality of life for current residents nor shrink the huge and costly regulatory burden on housing agencies. PHADA has serious concerns about the following bills:

**S. 3047** (Lee, R-UT) and **H.R. 5360** (Jordan, R-OH) – **Welfare Reform and Upward Mobility Act**. These bills are a radical proposal to bundle together eleven HUD rental assistance programs (including public housing, TBRA and PBRA), define them as “welfare” programs and send them (and their current funding amounts) to the states for implementation. This proposal to “devolve” responsibility to the states language has been included in recent iterations of the Ryan Poverty Plan offered by the House

Speaker. The bills are considered companion pieces to the most recent Ryan plan, “A Better Way: Our Vision for A Confident America.” The bills would define federal housing assistance programs – as “means-tested housing programs” and end federal funding for such programs on October 1, 2017. The combined amount of authorized expenditures for these programs for FY 2016 would be sent as block grants to states to administer. The FY ’16 funding level would continue through FY 2022 and then be reduced annually by 10 percent in succeeding years. Total funding for all of these housing programs would reach 50 percent of FY ’16 levels in FY 2027. PHADA strongly opposes legislation that would effectively end the federal responsibility for affordable housing for the neediest families.

**H.R. 5085 – Fair Chance at Housing Act** (Waters, D-CA). This bill seems to codify the criminal records “guidance” recently issued by the Office of General Counsel (OGC) to establish screening and eviction policies for assisted housing. The bill intends to make it easier for persons with criminal records to secure and/or retain federally assisted housing. PHAs would have new reporting requirements to track the number and disposition of applicants/residents served including those screened/evicted for covered criminal activity and the disposition of those identified cases. This data collection would be reported to the HUD Secretary annually.

**H.R. 5401 – Landlord Accountability Act** (Velezquez, D-NY). This bill would prohibit discrimination by landlords against rental housing applicants wishing to use Section 8 housing vouchers. It also would assess civil money penalties on landlords who intentionally allow the physical condition of their rental properties to deteriorate so that the units fail to meet inspection standards of the voucher program. The bill also requires HUD to publically disclose complaints against landlords and to provide a tax credit incentive for housing maintenance.

**S. 3219 – Housing Accountability Act** (Rubio, R-FL; Nelson, D-FL). This bill would require Performance Based Contract Administrators (PBCA) to twice annually survey residents of “each structure covered under a housing assistance payment contract for the purpose of identifying consistent or persistent problems with the physical condition of the structure or performance of the manager.”

Visit the PHADA website at: [www.phada.org](http://www.phada.org) for more information about the funding and policy needs of public housing during this unparalleled time of chronic underfunding and costly over-regulation.