

# NLHA Bulletin

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## Legislative Activity 118<sup>th</sup> Congress

### Introduced Legislation

**Let's Get to Work Act (S.39)** — Senator Rick Scott (R-FL) recently introduced his “Let's Get to Work Act” to extend SNAP work requirements to able-bodied adults receiving housing benefits who are under 60 years old and do not have children under the age of six or care for incapacitated individuals. SNAP requires individuals to work or participate in a work program for a combination of at least 80 hours a month. Work can be for pay, for goods or services (for something other than money), unpaid, or as a volunteer. The bill would apply these requirements to public housing and voucher households. It would not apply to PBRA residents. NLHA does not support this legislation, since it would create additional burdens for PHAs and low-income residents, and is proactively advocating against this bill.

**New Markets Tax Credit Extension Act of 2023 (S.234)** — Members of the Senate Finance Committee, Senators Ben Cardin (D-MD) and Steve Daines (R-MT), and Members of the House Ways and Means Committee, Representative Claudia Tenney (R-NY-24) and Representative Terri Sewell (D-AL-07) introduced identical legislation titled the New Markets Tax Credit Extension Act (NMTC) of 2023. The legislation would make the NMTC a permanent part of the U.S. tax code, it currently is set to expire at the end of 2025. The bill would also exempt NMTC investments from the Alternative Minimum Tax, a floor percentage tax that filers must pay regardless of claimed credit or deductions.

**Choice In Affordable Housing Act (S.32)** — This bill, introduced by Senator Coons (D-DE) and Kevin Cramer (R-ND), attempts to expand the housing choices for voucher holders by increasing the number of units in high-opportunity neighborhoods that accept Housing Choice Vouchers. The Act, which was introduced in the last Congress, would provide \$500 million to create the Herschel Lashkowitz Housing Partnership Fund for PHA's to distribute signing bonuses to landlords in areas with less than 20% poverty, provide security deposit assistance to tenants, and financial bonuses to PHAs with a dedicated landlord liaison on staff. It would also increase funding for the Tribal HUD-VASH program, expand the Small Area Fair Market Rent calculation in metropolitan areas, reduce inspection delays by approving pre-inspections up 60 days in advance to receiving a housing choice voucher, and would approve units that have passed inspections under other federal programs (e.g., tax credit, HOME, RD) within the last year, and refocus HUD's evaluation of housing agencies by reforming PHA evaluations to promote diversity in neighborhoods where vouchers are used.

**Home Advantage for American Families Act of 2023 (S.551)** — Introduced by Senator Marco Rubio (R-FL), this bill seeks to limit real estate investments from foreign and illicit activity while expanding the extent of state housing tax credits. Specifically, this bill would require real estate sales to disclose sales to foreign investors with the amount and source of funds from buyers.

**Housing Accountability Act of 2023 (S.581)** — Senator Marco Rubio (R-FL) recently reintroduced a bill to increase physical condition and management oversight at properties with HAP contracts. This bill, originally introduced in May 2019, would require Performance Based Contract Administrators to conduct semi-annual surveys on physical and management structures on properties with HAP contracts with residents to determine persistent problems. This bill would also allow HUD to create additional penalties for properties out of compliance.

**Safe Temperature Act of 2023 (H.R. 1333)** — First introduced in January 2019 by Senator Marco Rubio (R-FL), this legislation would allow the HUD secretary to require properties receiving federal assistance to safely maintain temperatures between 71- and 81 degrees Fahrenheit. Congresswoman Frederica Wilson (D-FL) introduced companion legislation in the House.

**Liberty City Rising Act (H.R.1334)**— This bill, introduced by Senator Marco Rubio (R-FL), would increase the safety standards for federally assisted public housing and project-based complexes in high-crime areas. Under this bill, high-crime areas would be areas determined by the HUD Secretary based on State and local government violent crime data. This bill would also set safety procedures for PHAs and housing providers such as increasing locks, security cameras, lighting, and an “Anonymous Hotline” for tenants with to report suspicious activity.

**HUD Health and Safety Accountability Act of 2023 (S.553)** — Senator Marco Rubio recently introduced this bill to prioritize health and safety conditions in UPCS inspections for properties with HAP contracts. These new prioritizations would include local codes, health and sanitation procedures, and restoration. PBCAs would enforce these standards and be responsible for administering tenant surveys for properties that score below 80 on their 9843 forms.

**HUD Inspection Reform and Capital Improvement Act of 2023 (S.554)** — Senators Marco Rubio and Rick Scott (R-FL) recently introduced this bill to increase oversight of HUD employees and properties with Section 8 HAP contracts. Specifically, this bill would adjust the penalties for properties that consecutively score below 59 on their UPCS inspections. This bill would allow HUD to place financial penalties on owners of these properties and may issue a notice of default to local governments and mortgagees if these owners fail to improve UPCS scores. In the case of a forced default, HUD may assign the property to a different owner with a budget-based rent increase or close the project entirely. Owners with forced defaults may also be permanently suspended from participating in federal programs. This bill would also vary the amount of UPCS and REAC inspections to 1, 2, or 3 years depending on these combined scores.

**Keep Children and Families Safe from Lead Hazards Act of 2023 (S.577)** — This bill, introduced by Senator Marco Rubio (R-FL), would require HUD to conduct a lead risk assessment report of properties

with tenant-based or project-based Section 8 subsidies. This bill would also require HUD to complete an action plan to address lead hazards found in the report.

**Neighborhood Homes Investment Act (S.657)** – Senators Ben Cardin (D-MD) and Todd Young (R-IN) reintroduced the *Neighborhood Homes Investment Act* (NHIA) to create the Neighborhood Homes Tax Credit to spur the renovation and development of one- to four-unit homes that now have distressed, blighted neighborhoods and low homeownership rates. Modeled after the LIHTC program, the NHIA would cover the “value gap” between the cost of building or renovating a home and the market-rate price at which it can be sold to low- and middle-income homebuyers. The proposal would provide low- and middle-income households with more equitable opportunities for homeownership and upward economic mobility. If enacted by the 118th Congress, the NHIA is estimated to finance the construction or renovation of 500,000 homes over the next decade. The bill was introduced in two previous sessions of Congress, and during the last Congress, a bipartisan group of 24 Senators and 109 Representatives supported the legislation.

**Decent, Affordable, Safe Housing (DASH) Act** —Introduced by Senate Finance Committee Chairman Ron Wyden (D-OR), this bill contains housing tax credit provisions from the Affordable Housing Credit Improvement Act (**AHCIA**); the entirety of the Neighborhood Homes Investment Act, which would create the Neighborhood Homes Tax Credit to spur the renovation and development of family homes in once-thriving communities that now have distressed neighborhoods; and provisions that would allow rental homes financed through Section 515 loans to retain their affordability requirements and ability to receive rental assistance through the USDA even after their mortgages mature. The DASH Act also includes proposals to create a renter’s tax credit for property owners who provide affordable homes to eligible tenants and to establish the Middle-Income Housing Tax Credit, which is intended to incentivize the development of rental housing for households earning 60-100% of their Area Median Income. This serves as a general layout for Senator Wyden’s affordable housing agenda.

**Renewing Opportunity in the American Dream (ROAD) to Housing Act** — Senate Banking Committee Ranking Chair Tim Scott recently released a fact sheet on his housing priorities for his upcoming ROAD to Housing Act. The text is a general overview of Senator Scott’s housing goals, much like Senator Wyden’s DASH Act. Specifically, this legislation would ensure that households utilizing federal housing programs have greater access to financial literacy tools and improve economic opportunity. It encourages responsible innovation and allows municipalities to prioritize local approaches to meet their housing needs. The legislation will also focus on incentivizing success by rewarding the efforts of housing and service providers or communities that reduce the number of individuals who are homeless. It will also support local PHAS by investing in solutions that deconcentrate poverty and enable families to access self-sufficiency. Finally, the legislation will review how overregulation contributes to excessive costs and delays in the supply of affordable housing and will rethink how agencies collect and analyze data.

**Delivering Essential Protection, Opportunity, and Security for Tenants Act (DEPOSIT) Act (H.R. 1087)** — This bill, introduced by House Representative Lee (D-CA) would create an appropriation in HUD’s budget for reasonable security deposits and moving fees. The legislation would allow PHAs to provide loans or grants to very low- and low-income families for security deposits, regardless of whether such

family is provided tenant-based rental assistance. Localities shall require owners to return unused funds upon tenancy termination for re-issuance. The bill would also pay for alternative security deposit studies including paying monthly insurance premiums to cover costs.

**Fair Housing Improvement Act of 2023 (S.1267 and H.R. 2846)** — Senator Tim Kaine (D-VA) and Representatives Scott Peters (D-CA-50) and Adam Schiff (D-CA-30) recently reintroduced this bill to expand the Fair Housing Act — which prohibits discrimination in housing based on race, color, national origin, religion, sex, familial status, and disability — by adding source of income (SOI) and veteran status as protected classes. This bill would ban landlords nationwide from refusing to rent to households using nontraditional methods of income to pay rent, such as HCV and HUD-VASH awards, benefits received through Social Security, or other nontraditional incomes.

**Rural Housing Service Reform Act of 2023 (S.1389)** — Senators Tina Smith (D-MN) and Mike Rounds (R-SD) recently introduced legislation with a package of USDA Rural Housing Service reforms and improvements. One of the bill's key provisions is decoupling USDA rental assistance from requirements that a property must have an active USDA Section 514 or 515 mortgages to receive assistance. This policy change will fix an issue for USDA-financed properties with maturing mortgages by enabling property owners who commit to affordability to continue to receive project-based rental assistance. Additionally, this legislation would update USDA systems for measuring incomes to be in line with HUD and invest in IT so that USDA can process loans more efficiently.

**Interagency Council on Affordable Housing Act (H.R.2974)** — Introduced by Representatives Adam Schiff (D-CA) and Yvette Clarke (D-NY), this bill would establish an Interagency Council on Affordable Housing and Preservation, like the existing U.S. Interagency Council on Homelessness, dedicated to developing federal policy to preserve and strengthen existing affordable housing, public housing, and federal housing voucher assistance programs.

**Affordable Housing Credit Improvement Act (S.1557 & H.R.3238).** — AHCIA was reintroduced with bipartisan co-sponsors and with some revisions from the 117th Congress. The legislation includes a 50% increase in 9% housing credit authority phased in over two years, with adjustments for inflation in 2024, to address the increased need for affordable housing. AHCIA contains more than two dozen other provisions that would help preserve existing affordable housing, facilitate housing credit development for extremely low-income households in hard-to-serve communities through basis boosts, and give credit allocation agencies new tools to strengthen program administration. In one key provision, the threshold for private activity bond financing with 4% tax credits would be lowered from 50% to 25%. There are currently 208 cosponsors in the House and 44 cosponsors in the Senate for this bipartisan legislation.