

other nonprofit entity serving more than one local government jurisdiction that was administering the section 8 tenant-based assistance program pursuant to a contract with the Secretary or a public housing agency prior to the date of enactment of this Act.

**SEC. 209. EFFECTIVE DATE.**

(a) IN GENERAL.—The amendments made by this title shall become effective not later than 1 year after the date of enactment of this Act.

(b) CONVERSION ASSISTANCE.—

(1) IN GENERAL.—The Secretary may provide for the conversion of assistance under the certificate and voucher programs under subsections (b) and (c) of section 8 of the United States Housing Act of 1937, as those sections existed on the day before the effective date of the amendments made by this title, to the voucher program established by the amendments made by this title.

(2) CONTINUED APPLICABILITY.—The Secretary may apply the provisions of the United States Housing Act of 1937, or any other provision of law amended by this title, as those provisions existed on the day before the effective date of the amendments made by this title, to assistance obligated by the Secretary before that effective date for the certificate or voucher program under section 8 of the United States Housing Act of 1937, if the Secretary determines that such action is necessary for simplification of program administration, avoidance of hardship, or other good cause.

**TITLE III—MISCELLANEOUS PROVISIONS**

**SEC. 301. PUBLIC HOUSING FLEXIBILITY IN THE CHAS.**

Section 105(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)) is amended—

(1) by redesignating the second paragraph designated as paragraph (17) (as added by section 681(2) of the Housing and Community Development Act of 1992) as paragraph (20);

(2) by redesignating paragraph (17) (as added by section 220(b)(3) of the Housing and Community Development Act of 1992) as paragraph (19);

(3) by redesignating the second paragraph designated as paragraph (16) (as added by section 220(c)(1) of the Housing and Community Development Act of 1992) as paragraph (18);

(4) in paragraph (16)—

(A) by striking the period at the end and inserting a semicolon; and

(B) by striking “(16)” and inserting “(17)”;

(5) by redesignating paragraphs (11) through (15) as paragraphs (12) through (16), respectively; and

(6) by inserting after paragraph (10) the following new paragraph:

“(11) describe the manner in which the plan of the jurisdiction will help address the needs of public housing and coordinate with the local public housing agency plan under section 5A of the United States Housing Act of 1937;”.

**SEC. 302. REPEAL OF CERTAIN PROVISIONS.**

(a) MAXIMUM ANNUAL LIMITATION ON RENT INCREASES RESULTING FROM EMPLOYMENT.—

(1) REPEAL.—Section 957 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12714) is repealed.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be deemed to have the same effective date as section 957 of the Cranston-Gonzalez National Affordable Housing Act.

(b) ECONOMIC INDEPENDENCE.—

(1) REPEAL.—Section 923 of the Housing and Community Development Act of 1992 (42 U.S.C. 12714 note) is repealed.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be deemed to have the same effective date as section 923 of

the Housing and Community Development Act of 1992.

**SEC. 303. DETERMINATION OF INCOME LIMITS.**

(a) IN GENERAL.—Section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)) is amended—

(1) in the fourth sentence—

(A) by striking “County,” and inserting “and Rockland Counties”; and

(B) by inserting “each” before “such county”; and

(2) in the fifth sentence, by striking “County” each place that term appears and inserting “and Rockland Counties”.

(b) REGULATIONS.—Not later than 90 days after the date of enactment of this Act, the Secretary shall issue regulations implementing the amendments made by subsection (a).

**SEC. 304. DEMOLITION OF PUBLIC HOUSING.**

(a) REPEAL.—Section 415 of the Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1988 (Public Law 100-202; 101 Stat. 1329-213) is repealed.

(b) FUNDING AVAILABILITY.—Notwithstanding any other provision of law, beginning on the date of enactment of this Act, the public housing projects described in section 415 of the Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1988, as that section existed on the day before the date of enactment of this Act, shall be eligible for demolition under—

(1) section 14 of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act; and

(2) section 9 of the United States Housing Act of 1937, as amended by this Act.

**SEC. 305. COORDINATION OF TAX CREDITS AND SECTION 8.**

Notwithstanding any other provision of law, rehabilitation activities undertaken in projects using the Low-Income Housing Tax Credit allocated to developments in the City of New Brunswick, New Jersey, in 1991, are hereby deemed to have met the requirements for rehabilitation in accordance with clause (ii) of the third sentence of section 8(d)(2)(A) of the United States Housing Act of 1937, as amended.

**SEC. 306. ELIGIBILITY FOR PUBLIC AND ASSISTED HOUSING.**

Section 214 of the Housing and Community Development Act of 1980 (42 U.S.C. 1436a) is amended—

(1) in subsection (b), by inserting before the period at the end the following: “and includes any other assistance provided under the United States Housing Act of 1937”;

(2) by adding at the end the following new subsection:

“(h) VERIFICATION OF ELIGIBILITY.—

“(1) IN GENERAL.—Except in the case of an election under paragraph (2)(A), no individual or family applying for financial assistance may receive such financial assistance prior to the affirmative establishment and verification of eligibility of that individual or family under this section by the Secretary or other appropriate entity.

“(2) RULES APPLICABLE TO PUBLIC HOUSING AGENCIES.—A public housing agency (as that term is defined in section 3 of the United States Housing Act of 1937)—

“(A) may elect not to comply with this section; and

“(B) in complying with this section—

“(i) may initiate procedures to affirmatively establish or verify the eligibility of an individual or family under this section at any time at which the public housing agency determines that such eligibility is in question, regardless of whether or not that individual or family is at or near the top of the waiting list of the public housing agency;

“(ii) may affirmatively establish or verify the eligibility of an individual or family

under this section in accordance with the procedures set forth in section 274A(b)(1) of the Immigration and Nationality Act; and

“(iii) shall have access to any relevant information contained in the SAVE system (or any successor thereto) that relates to any individual or family applying for financial assistance.

“(3) ELIGIBILITY OF FAMILIES.—For purposes of this subsection, with respect to a family, the term ‘eligibility’ means the eligibility of each family member.”.

MOTION OFFERED BY MR. LAZIO OF NEW YORK

Mr. LAZIO of New York. Mr. Speaker, pursuant to section 2 of House Resolution 426, I offer a motion.

The Clerk read as follows:

Mr. LAZIO of New York moves to strike out all after the enacting clause of S. 1260 and insert in lieu thereof the provisions of H.R. 2406 as passed by the House, as follows:

[The text of H.R. 2406 will appear in a future issue of the RECORD.]

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed.

The title of the Senate bill was amended so as to read: A bill to repeal the United States Housing Act of 1937, deregulate the public housing program and the program for rental housing assistance for low-income families and increase community control over such programs, and for other purposes.

A motion to reconsider was laid on the table.

A similar House bill (H.R. 2406) was laid on the table.

APPOINTMENT OF CONFEREES

Mr. LAZIO of New York. Mr. Speaker, pursuant to section 2 of House Resolution 426, I offer a motion.

The Clerk read as follows:

Mr. LAZIO of New York moves that the House insist on its amendments to the bill (S. 1260) and request a conference with the Senate thereon.

The motion was agreed to.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. LEACH, LAZIO of New York, BEREUTER, BAKER of Louisiana, CASTLE, GONZALEZ, VENTO, and KENNEDY of Massachusetts.

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN EN-GROSSMENT OF HOUSE AMENDMENT TO S. 1260, UNITED STATES HOUSING ACT OF 1996

Mr. LAZIO of New York. Mr. Speaker, I ask unanimous consent that in the engrossment of the House amendment to S. 1260, the Clerk be authorized to correct section numbers, cross-references, punctuation and indentation, and to make any other technical and conforming change necessary to reflect the actions of the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

SUMMARY OF MANAGER'S AMENDMENT TO H.R. 2406, UNITED STATES HOUSING ACT OF 1996

Mr. LAZIO of New York. Mr. Speaker, I ask unanimous consent to insert in the RECORD a summary of the manager's amendment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

MANAGERS AMENDMENT SUMMARY

BROOKE RENTS

This provision protects the very poor currently in public housing. It would put a cap on rent of up to 30% of income for families with income levels at or below 30% of area median income (currently, about 76% of the public housing inventory is occupied by such families). It would also impose a rent cap of up to 30% of family income for the elderly and disabled currently occupying public housing, regardless of their income levels. Adding the elderly brings the number of residents that would pay no more than 30% of their income as rent to 83% of current public housing residents. Adding the disabled would bring the number of those paying 30% of their income or below as rent up to 87% of public housing residents.

For prospective residents, those families with income levels at or below 30% of area median income would continue to pay up to but no more than 30% of their income as rent. It is important to note that the Brooke Amendment currently imposes a 30% floor on rents—a family will pay 30% of their income as rent. If their income goes up, their rent will go up. Chairman Lazio eliminates this disincentive—very poor families will pay no more than 30% of their income as rent—if their income goes up, the percentage of income that goes to rent could decrease.

For any families that may be subject to rent increases as a result of increased flexibility given to housing authorities, any rent increases over a certain amount will be phased-in over a period of up to three years, and other resident protections are provided.

MINIMUM RENTS

Most all agree that everyone who resides in public housing should contribute something in return for their housing. H.R. 2406 provides for mandatory minimum rents of no less than \$25, but no more than \$50, within the discretion of the local housing authorities. The local authorities are given discretion to grant "hardship exceptions" to protect those that may truly not be able to pay the minimum rent. No residents will be made homeless as a result of the passage of H.R. 2406.

TARGETING

This provision maintains a good amount of public housing geared toward serving the very poor. H.R. 2406 Reported required that 25% of a local housing authority's inventory would be for those at 30% or below of area median income. Chairman Lazio Manager's Amendment has increased the targeting level of public housing—at least 30% of public housing units must go to those at 30% or below of area median income, a level that would still enable housing authorities over time to create more income-mixed communities. For choice-based rental assistance, H.R. 2406 Reported contained no targeting provisions. The Manager's Amendment provides for a level of targeting whereby 50% of rental-based assistance will go to those at 60% of area median income, ensuring that the greater portion of such assistance shall go to lower-income families.

MOVING-TO-WORK FOR THE TWENTY-FIRST CENTURY

Finally, the Manager's Amendment has provided for the creation of a forward-looking program that would enable housing authorities to set rents, design and test various approaches for providing and administering housing assistance, give incentives to families to obtain employment and become self-sufficient, and increase housing choices and homeownership opportunities for lower-income families. One hundred high-performing local housing authorities will be selected each year for three years, and given the administrative flexibility to craft programs that would create an atmosphere where residents can succeed and "graduate" from public housing.

REVIEW OF HOUSING MANAGEMENT PLANS BY SECRETARY

This provision requires the Secretary to consider Management Plans that "adequately identify" the needs of low-income families and capital improvement needs. Additionally, the Secretary is authorized to reject management plans that are "plainly inappropriate" and inconsistent with this Act.

PUBLIC HOUSING RESIDENT EMPLOYMENT

This provision conforms the existing Housing and Urban Development Act of 1968 to H.R. 2406, and encourages employment of public housing residents in public housing development or modernization programs.

CREATES TWO FUNDING GRANTS

This provision modifies the current bill text by replacing one grant with two grants for capital needs and operation expenses. The amendment will allow modest fungibility of no more than 10% from the capital fund towards use in the operating fund. The capital fund is authorized at \$2.5 billion for fiscal years 1977 through 2000; the operating fund is authorized at \$2.8 billion for fiscal years 1977 through 2000. (Both funds at the FY 1996 enacted funded levels.)

ACCREDITATION AND PERFORMANCE EVALUATION

This provision modifies the Accreditation Board provisions to avoid duplicative functions undertaken by HUD and provides authority to the National Center for Housing Management (created by Executive Order in 1972) to create the Board during the first year. The Center will assist in determining performance indicators for evaluating local housing and management authorities. Additionally, this provision provides for the development of comprehensive and performance audits of the housing authorities.

REVISES STATEMENT OF PURPOSE TO EMPHASIZE SELF-SUFFICIENCY

This provision revises the statement of purpose to emphasize the intent to create and facilitate housing authorities that ultimately partner with residents to achieve self-sufficiency and transitioning out of public and assisted housing.

CREATES HOMEOWNERSHIP OPPORTUNITIES

This provision would clarify homeownership opportunities provided under the legislation and the ability of the housing authority and other low-income housing providers to undertake the process of preparation and sale of units to residents eligible for homeownership.

CREATES TENANT SELF-SUFFICIENCY CONTRACTS

This provision requires the housing authority to enter into binding agreements with recipients of public and assisted housing to undertake activities and programs that will culminate in self-sufficiency, transitioning and eventual graduation from public and assisted housing by a date certain

contingent on the special and unique factors of the resident. The housing authority is authorized to enter into partnerships with state and local agencies, non-profits groups, academic institutions, and other groups with experience in facilitating self-sufficiency and graduation from public assistance. The agreements will be attached and incorporated into the lease and provide exemptions for elderly, disabled, students, and the certified impaired; additionally, changed circumstances can be taken into account in modifying the agreement. The Secretary is authorized to partner with resident council organizations to create a model self-sufficiency tenant agreement for voluntary use by the housing authority.

ELECTION OF RESIDENT BOARD MEMBERS

This provision requires resident membership on the Board of Directors of the local housing and management authority, with certain exceptions set forth in the statute. Language has been added requiring that such representative is elected by the residents of the authority, with procedures and guidelines for such elections to be set forth by the Secretary.

NATIONAL COMMISSION ON HOUSING ASSISTANCE PROGRAMS

An independent National Commission on Housing Programs Cost, is established for purposes of analyzing the full cost to the Federal Government, public housing agencies, State and local governments, and other parties, per assisted household, of the Federal assisted housing programs so that accurate per unit cost comparisons may be made between Federal assisted housing programs. The Commission will have nine members, three of which are appointed by the Secretary of HUD, three by the Senate, and three by the House. The activities of the Commission are authorized from amounts from HUD's Office of Policy Development and Research.

HUD OCCUPANCY PROVISION

This provision clarifies HUD occupancy policy by requiring HUD to follow state occupancy standards that prevent overcrowding and preclude federal government occupancy standards. In the absence of state occupancy standards, a two person per-bed policy is assumed reasonable.

REQUIRED CONVERSION OF BUILDING ASSISTANCE TO VOUCHERS

This provision clarifies and provides guidance on the factors necessary to require conversion of public housing assistance to vouchers, including whether the building(s) (i) is not viable, (ii) consists of vacancy rates of 10% or more without any plans for modernization, (iii) are not cost-effective for modernization, and (iv) consist of at least 300 units either in one building or on a contiguous site. Therefore, financial assistance for severely distressed buildings with no eventual useful life will be terminated and converted to housing voucher assistance.

VOLUNTARY VOUCHERING-OUT OF PUBLIC HOUSING

Local housing and management authorities, at their option, are given the power to convert public housing assistance into tenant-based assistance where the authority can demonstrate that the conversion will not be more expensive than continuing to operate the public housing development and will principally benefit the residents of the development, the local housing and management authority, and the community.

RESIDENT OPPORTUNITY PROGRAM

This provision allows the Secretary to provide technical assistance to resident councils for economic uplift (job-training, economic development, security and other self-sufficiency) and provides authority to require the

housing authority to become a co-grantee for administrative purposes. This provision will provide accountability through the housing authority and preclude fraudulent and abusive practices recently highlighted by hearings of the Committee on Government Operations.

#### PORTABILITY AND ADMINISTRATIVE FEES

Restores portability to the voucher program and solves some of the administrative problems associated with portability by directing the Secretary of HUD to take steps to ensure that the local housing authority that provides the services for a family receives all or part of the administrative fee. To prevent "waiting list shopping", the legislative enables a local housing authority to require that a family that receives assistance live in that jurisdiction for twelve months after the initial receipt of assistance.

#### SHOPPING INCENTIVE FOR ASSISTED FAMILIES

This provision allows for shopping incentives for assisted families under Choice-Based housing that rewards the market-rate selection or rental units that fall below the payment standard for that community. In cases where savings occur, the government will reward the tenant, while reducing the budget deficit by providing a savings account in the tenant's name for 50% of the savings incurred by selecting a quality but below rental market unit. The remaining 50% will be returned to the federal government for deficit reduction. The tenant may withdraw the money annually at the end of each year's lease agreement.

#### PROHIBITIONS ON OCCUPANCY FOR PUBLIC AND ASSISTED HOUSING FOR CRIMINAL OR ILLEGAL DRUG/ALCOHOL ABUSE AND SCREENING, GRIEVANCE AND EVICTION REFORMS

This legislation incorporates S. 1494—The Housing Opportunity Program Extension Act of 1996, enacted as Pub. L. 104-120 and extends tenant screening reforms to owners of assisted housing, i.e. non-public housing, including rural multifamily housing developments receiving assistance under the Housing Act of 1949. The owners of assisted housing and housing authorities may deny assistance to potential residents who have been convicted of criminal activity during the preceding three years prior to application for assistance. S. 1494/Pub. L. 104-120 provided flexibility to housing authorities to (i) designate certain developments elderly or disabled only; (ii) evict residents who threaten the safety of elderly and disabled residents in such designated housing; and (iii) expedite grievance and eviction procedures for drug-related and other criminal activity "on or off" the premises.

In addition to conforming language to S. 1494/Pub. L. 104-120, this provision provides access of criminal records, under strict confidentiality protections and penalties for misuse, for assisted housing screening. [Pub. L. 104-120 covered only public housing, while this provision extends those screening provisions to most federally-assisted housing.]

#### CDBG ENTITLEMENT COMMUNITY DESIGNATION

This provision grandfathered communities designated CDBG entitlement communities, based on a population of a least 50,000 residents, for at least one year after 1989. [Some communities were eligible in 1990 and upon the findings of the 1990 census implemented in 1992-93, lost their eligibility status, notwithstanding their eligibility status in 1990.]

#### CDBG DISASTER RELIEF FOR LOS ANGELES

This provision extends, through 1998, the authority of the Los Angeles entitlement community to use no more than 25% of CDBG funds for public services during the reconstruction of some low and very-low in-

come neighborhoods after the 1992 civil disturbance. [Congress had previously extended the public service cap from 15% to 24% for Los Angeles during the 1992 Housing Bill in response to the Los Angeles crisis.]

#### HOMELESS AND SURPLUS PROPERTY COMMUNITY PARTICIPATION AND SELF-HELP HOUSING

This provision will amend Sec. 203 of the Federal Property Administrative Services Act by providing communities an opportunity to participate in the disposition of significant surplus property. Upon local review and collaboration, the GSA could transfer significant surplus property to homeless or non-profit low-income housing providers that undertake self-help housing. This provision will encourage homeownership and housing through significant participation (sweet-equity) by the potential residents. Title VI of the McKinney Act is not repealed and surplus property not considered "significant" or approved by the local government will be processed through the current McKinney surplus property requirements.

#### RURAL COMMUNITIES AND MILITARY INSTALLATIONS

This provision designates Altus, Oklahoma as a rural community, through the year 2000, for purposes of eligibility of the Rural Housing Service programs, such as single and multifamily development. [The 20,000 population threshold was slightly exceeded because of a decennial census count that incorporated the population of a nearby military installation.]

#### PORTSMOUTH VA REVITALIZATION PLAN

Requires HUD to implement a revitalization plan for the City of Portsmouth, Virginia.

#### INCOME ELIGIBILITY STANDARDS FOR HOME AND CDBG PROGRAMS

Clarifies eligibility for HOME and CDBG programs so that all families earning up to 80% of area median income are eligible.

#### PROJECT IN NEW BRUNSWICK, NEW JERSEY

Allows Pennrose Properties, a low-income housing developer, to use low-income housing tax credits allocated in 1991 for use in rehabilitating a 98-unit project for the elderly. The reservation of these tax credits would otherwise lapse.

#### DEFINITION OF ADULT

Modifies the restrictions on divulging the criminal records of those convicted of crimes who are not adults to make also available the criminal records of minors who are tried and convicted as adults.

#### PROHIBITION OF FEDERAL INDEMNIFICATION OF INTELLECTUAL PROPERTY RIGHT INFRINGEMENT

Prohibit local housing authorities from using federal funds to indemnify contractors from judgments of infringement of intellectual property rights.

#### CONVERSION OF A LIMITED NUMBER OF PROJECT-BASED UNITS

Permits property owners to convert a portion of project-based units, upon vacancy, to market rate provided units are above the fair market rent for an area and the amount of contract subsidy saved is transferred to a local housing authority for use as choice-based certificates.

#### WAGE REQUIREMENTS

Narrows one of the exceptions to certain prevailing wage requirements that must be followed by a local housing authority.

#### CHOICE-BASED SCREENING AND EVICTION PROCEDURES

In connection with drug and other criminal activity, provides greater screening and eviction authority for most federally assisted housing, including section 8 project based.

#### HOPE VI PLANNING GRANTS

Provides a preference for previously awarded HOPE VI planning grants that were not funded by HUD.

#### GOLD CLAUSE CONTRACT

Clarifies interpretation of gold clause contract provision to terminate unintended consequences of 1977 law, including unfair treatment to leaseholders. The amendment ensures that the old gold clauses apply only when such a clause is the explicit intention of both parties to the contract.

#### ROCKLAND COUNTY, NY, CEILING LIMITS

Removes Rockland County from the metropolitan statistical area of New York for the establishment of any ceilings or limits based on income under the Act.

#### GENERAL LEAVE

Mr. LAZIO of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2406.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

#### APPOINTMENT OF CONFEREES ON H.R. 1296, PROVIDING FOR ADMINISTRATION OF CERTAIN PRESIDIO PROPERTIES

Mr. YOUNG of Alaska. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1296) to provide for the administration of certain Presidio properties at minimal cost to the Federal taxpayer, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alaska?

Mr. MILLER of California. Mr. Speaker, reserving the right to object, and I do not intend to object, but I would like to take a moment to engage the gentleman from Alaska [Mr. YOUNG], the chairman of the committee, in a colloquy.

My concern, and I think the concern of others, is that recognizing that in both the House and Senate there has been strong bipartisan support for the underlying bill of the Presidio, but as is sometimes true to their nature, the Senate has added some 34 unrelated titles to the bill, some of which have not had hearings in our committee. That traditionally has opened the door for others who seek to have the same courtesy extended to them to add bills when we are in conference.

Mr. Speaker, my concern is that hopefully there will be some ground rules to the controversy of those items that might be added. I think most of the items currently in either the Senate or in the House bill are essentially noncontroversial. My concern is that as people start to see that this bill has a chance to leave the Congress and go to the President, more and more people will want to jump in the boat here, and