

114TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To provide standards for physical condition and management of housing receiving assistance payments under section 8 of the United States Housing Act of 1937.

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IN THE SENATE OF THE UNITED STATES

Mr. NELSON (for himself and Mr. RUBIO) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To provide standards for physical condition and management of housing receiving assistance payments under section 8 of the United States Housing Act of 1937.

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 “Housing Accountability  
5 Act of 2016”.

1 **SEC. 2. STANDARDS FOR PHYSICAL CONDITION AND MAN-**  
2 **AGEMENT OF HOUSING RECEIVING ASSIST-**  
3 **ANCE PAYMENTS.**

4 Section 8 of the United States Housing Act of 1937  
5 (42 U.S.C. 1437f) is amended by inserting after sub-  
6 section (v) the following:

7 “(w) STANDARDS FOR PHYSICAL CONDITION AND  
8 MANAGEMENT OF HOUSING RECEIVING ASSISTANCE PAY-  
9 MENTS.—

10 “(1) STANDARDS FOR PHYSICAL CONDITION  
11 AND MANAGEMENT OF HOUSING.—Any entity receiv-  
12 ing assistance payments under this section shall  
13 maintain decent, safe, and sanitary conditions, as  
14 determined by the Secretary, for any structure cov-  
15 ered under a housing assistance payment contract.

16 “(2) SURVEY OF TENANTS.—The Secretary  
17 shall develop a process by which a Performance-  
18 Based Contract Administrator shall, on a semi-  
19 annual basis, conduct a survey of the tenants of  
20 each structure covered under a housing assistance  
21 payment contract for the purpose of identifying con-  
22 sistent or persistent problems with the physical con-  
23 dition of the structure or performance of the man-  
24 ager of the structure.

25 “(3) REMEDIATION.—A structure covered  
26 under a housing assistance payment contract shall

1 be referred to the Secretary for remediation if a Per-  
2 formance-Based Contract Administrator identifies a  
3 consistent or persistent problem with the structure  
4 or the management of the structure based on—

5 “(A) a survey conducted under paragraph  
6 (2); or

7 “(B) any other observation made by the  
8 Performance-Based Contract Administrator  
9 during the normal course of business.

10 “(4) PENALTY FOR FAILURE TO UPHOLD  
11 STANDARDS.—

12 “(A) IN GENERAL.—The Secretary may  
13 impose a penalty on any owner of a structure  
14 covered under a housing assistance payment  
15 contract if the Secretary finds that the struc-  
16 ture or manager of the structure—

17 “(i) did not satisfactorily meet the re-  
18 quirements under paragraph (1); or

19 “(ii) is repeatedly referred to the Sec-  
20 retary for remediation by a Performance  
21 Based Contract Administrator through the  
22 process established under paragraph (3).

23 “(B) AMOUNT.—A penalty imposed under  
24 subparagraph (A) shall be in an amount equal  
25 to not less than 1 percent of the annual budget

1 authority the owner is allocated under a hous-  
2 ing assistance payment contract.

3 “(C) USE OF AMOUNTS.—Any amounts  
4 collected under this paragraph shall be used  
5 solely for the purpose of supporting safe and  
6 sanitary conditions at applicable structures or  
7 for tenant relocation, as designated by the Sec-  
8 retary, with priority given to the tenants of the  
9 structure that led to the penalty.

10 “(5) APPLICABILITY.—This subsection shall not  
11 apply to any property assisted under subsection  
12 (o).”.

13 **SEC. 3. ISSUANCE OF REPORT.**

14 Not later than 1 year after the date of enactment  
15 of this Act, the Secretary of Housing and Urban Develop-  
16 ment shall submit to Congress a report that—

17 (1) examines the adequacy of capital reserves  
18 for each structure covered under a housing assist-  
19 ance payment contract under section 8 of the United  
20 States Housing Act of 1937 (42 U.S.C. 1437f);

21 (2) examines the use of funds derived from a  
22 housing assistance payment contract for purposes  
23 unrelated to the maintenance and capitalization of  
24 the structure covered under the contract; and

1           (3) includes any administrative or legislative  
2       recommendations to further improve the living con-  
3       ditions at those structures.