

SMALL PUBLIC HOUSING AUTHORITY ACT

DECEMBER 13, 2005.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. OXLEY, from the Committee on Financial Services,
submitted the following

R E P O R T

[To accompany H.R. 3422]

The Committee on Financial Services, to whom was referred the bill (H.R. 3422) to amend the United States Housing Act of 1937 to exempt small public housing agencies from the requirement of preparing an annual public housing agency plan, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

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AMENDMENT

The amendment is as follows:
Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Small Public Housing Authority Act”.

SEC. 2. PUBLIC HOUSING AGENCY PLANS FOR CERTAIN SMALL PUBLIC HOUSING AGENCIES.

(a) **IN GENERAL.**—Section 5A(b) of the United States Housing Act of 1937 (42 U.S.C. 1437c–1(b)) is amended by adding at the end the following new paragraph:

“(3) **EXEMPTION OF CERTAIN SMALL PHAS FROM FILING REQUIREMENT.**—

“(A) **IN GENERAL.**—Notwithstanding paragraph (1) or any other provision of this Act—

“(i) the requirement under paragraph (1) shall not apply to any qualified small public housing agency; and

“(ii) except as provided in subsection (e)(4)(B), any reference in this section or any other provision of law to a ‘public housing agency’ shall not be considered to refer to any qualified small public housing agency, to the extent such reference applies to the requirement to submit an annual public housing agency plan under this subsection.

“(B) **CIVIL RIGHTS CERTIFICATION.**—Notwithstanding that qualified small public housing agencies are exempt pursuant to subparagraph (A) from the requirement under this section to prepare and submit an annual public housing plan, each qualified small public housing agency shall, on an annual basis, make the certification described in paragraph (15) of subsection (d) of this section, except that for purposes of such small public housing agencies, such paragraph shall be applied by substituting ‘the public housing program of the agency’ for ‘the public housing agency plan’.

“(C) **DEFINITION.**—For purposes of this section, the term ‘qualified small public housing agency’ means a public housing agency that meets all of the following requirements:

“(i) The sum of (I) the number of public housing dwelling units administered by the agency, and (II) the number of vouchers under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) administered by the agency, is 250 or fewer.

“(ii) The agency is not designated pursuant to section 6(j)(2) as a troubled public housing agency.”

(b) **RESIDENT PARTICIPATION.**—Section 5A of the United States Housing Act of 1937 (42 U.S.C. 1437c–1) is amended—

(1) in subsection (e), by inserting after paragraph (3) the following:

“(4) **QUALIFIED SMALL PUBLIC HOUSING AGENCIES.**—

“(A) **IN GENERAL.**—Except as provided in subparagraph (B), nothing in this section may be construed to exempt a qualified small public housing agency from the requirement under paragraph (1) to establish one or more resident advisory boards. Notwithstanding that qualified small public housing agencies are exempt pursuant to subsection (b)(3)(A) from the requirement under this section to prepare and submit an annual public housing plan, each qualified small public housing agency shall consult with, and consider the recommendations of the resident advisory boards for the agency, in any determinations and actions of the agency regarding establishing goals, objectives, and policies of the agency.

“(B) **APPLICABILITY OF WAIVER AUTHORITY.**—Paragraph (3) shall apply to qualified small public housing agencies, except that for purposes of such small public housing agencies, subparagraph (B) of such paragraph shall be applied by substituting ‘the functions described in the second sentence of paragraph (4)(A)’ for ‘the functions described in paragraph (2)’.

“(f) **PUBLIC HEARINGS.**—”, and

(2) in subsection (f) (as so designated by the amendment made by paragraph (1) of this subsection), by adding at the end the following new paragraph:

“(5) **QUALIFIED SMALL PUBLIC HOUSING AGENCIES.**—

“(A) **REQUIREMENT.**—Notwithstanding that qualified small public housing agencies are exempt pursuant to subsection (b)(3)(A) from the requirement under this section to conduct a public hearing regarding the annual public housing plan of the agency, each qualified small public housing agency shall, not less than annually, conduct a public hearing to discuss the goals, objectives, and policies of the agency, and any changes to such goals, objectives, and policies, and to invite public comment regarding such issues.

“(B) **AVAILABILITY OF INFORMATION AND NOTICE.**—Not later than 45 days before the date of such a hearing, the qualified small public housing agency shall—

“(i) make all information relevant to the hearing and any determinations of the agency regarding the goals, objectives, and policies of the agency to be considered at the hearing available for inspection by the public at the principal office of the public housing agency during normal business hours; and

“(ii) publish a notice informing the public that (I) the information is available as required under clause (i), and (II) a public hearing under subparagraph (A) will be conducted.”.

PURPOSE AND SUMMARY

The purpose of H.R. 3422 is to provide some regulatory burden relief to small public housing authorities (PHAs). H.R. 3422 would exempt small PHAs from being required to submit an annual plan to the Department of Housing and Urban Development (HUD.) For purposes of this legislation, a small PHA is defined as when the sum of both the number of housing units and the number of Section 8 vouchers is 250 or fewer.

BACKGROUND AND NEED FOR LEGISLATION

The Quality Housing and Work Responsibility Act of 1998 requires PHAs to submit both a five-year plan and an annual plan to HUD. The five-year PHA plan addresses the agency’s mission and their plan to achieve their mission. The annual plan requires PHAs to provide details about any updates or changes to the five-year plan.

Specifically, the annual plan, among other things, has typically asked for the following information: housing needs of the families in the jurisdiction; strategies to meet these needs; statement of financial resources; and PHA policies governing eligibility, selection, and admissions. HUD has made the effort to streamline this annual planning for small PHAs and for high-performing PHAs through rulemaking. However, an example of a streamlined plan was 47 pages with extensive attachments.

The exemption of smaller PHAs from filing plans will not affect the ability of tenant organizations to continue to have input with the managers of their developments. Language incorporated into the legislation ensures tenant participation and requires smaller PHAs to provide advance planning required under the five-year plans. In addition, the Committee included language that would still require a small PHA to provide annual certification that it is conforming to the applicable Fair Housing and Civil Rights laws.

This legislation is needed to ease one of the burdens that are placed on small PHAs, which many times only have a part-time executive director. Some of these directors do not have the time, staff or resources to complete these annual plans by themselves. Some small PHAs often have no choice but to hire consultants since they do not have the computer software package to help complete these annual plans. These consultants are an expensive cost for small PHAs that already are facing numerous fiscal challenges.

HEARINGS

No hearings were held on this legislation.

COMMITTEE CONSIDERATION

The Committee on Financial Services met in open session on November 16, 2005 and ordered reported to the House H.R. 3422, the “Small Public Housing Authority Act” by a voice vote.

COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list the record votes on the motion to report legislation and amendments thereto. No record votes were taken with in conjunction with the consideration of this legislation. An amendment offered by Mr. Oxley addressing small public housing agencies establishing resident advisory boards and requiring small housing agencies to certify compliance with the civil rights laws, as is required under current law, was agreed to by voice vote. A motion by Mr. Oxley to report the bill to the House with a favorable recommendation was agreed to by a voice vote.

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee has held hearings and made findings that are reflected in this report.

PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee establishes the following performance related goals and objectives for this legislation:

The objective of this legislation is to reduce the administrative workload of small PHAs. The goal of H.R. 3422 is to give executive directors of small PHAs more time to focus on the needs of their tenants.

NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimate of new budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act.

COMMITTEE COST ESTIMATE

The Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

CONGRESSIONAL BUDGET OFFICE ESTIMATE

Pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, the following is the cost estimate provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974:

U.S. CONGRESS,
 CONGRESSIONAL BUDGET OFFICE,
 Washington, DC, November 29, 2005.

Hon. MICHAEL G. OXLEY,
 Chairman, Committee on Financial Services,
 House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 3422, the Small Public Housing Authority Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Chad Chirico.

Sincerely,

DONALD B. MARRON
 (For Douglas Holtz-Eakin, Director).

Enclosure.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee finds that the Constitutional Authority of Congress to enact this legislation is provided by Article 1, section 8, clause 1 (relating to the general welfare of the United States) and clause 3 (relating to the power to regulate interstate commerce).

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

This section establishes the short title of the bill, the "Small Public Housing Authority Act."

Section 2. Public Housing Agency plans for small public housing agencies

This section amends Section 5A of the United States Housing Act of 1937 by exempting small PHAs from being required to submit an annual plan to HUD. This section defines a small PHA as when the sum of both the number of housing units and the number of Section 8 vouchers is 250 or fewer.

Under this section, small PHAs who are exempt from the annual planning requirement would still have to complete a five-year plan. Furthermore, a small PHA, which is designated as a troubled housing agency by HUD, would still be required to submit an annual plan.

In addition, this section would still require a small PHA to provide annual certification that it is conforming to the applicable Fair Housing and Civil Rights laws.

This section would also require that tenants of small PHAs, which are exempt from the annual planning requirement, must continue to have an adequate and comparable opportunity for participation and notice regarding the establishing of goals, objectives, and policies of the PHA. Each small PHA shall continue to conduct an annual public hearing to discuss its goals, objectives and policies and shall invite public comments regarding these issues.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (new matter is printed in italic and existing law in which no change is proposed is shown in roman):

SECTION 5A OF THE UNITED STATES HOUSING ACT OF 1937

SEC. 5A. PUBLIC HOUSING AGENCY PLANS.

(a) * * *

(b) ANNUAL PLAN.—

(1) * * *

* * * * *

(3) *EXEMPTION OF CERTAIN SMALL PHAS FROM FILING REQUIREMENT.*—

(A) *IN GENERAL.*—*Notwithstanding paragraph (1) or any other provision of this Act—*

(i) the requirement under paragraph (1) shall not apply to any qualified small public housing agency; and

(ii) except as provided in subsection (e)(4)(B), any reference in this section or any other provision of law to a “public housing agency” shall not be considered to refer to any qualified small public housing agency, to the extent such reference applies to the requirement to submit an annual public housing agency plan under this subsection.

(B) *CIVIL RIGHTS CERTIFICATION.*—*Notwithstanding that qualified small public housing agencies are exempt pursuant to subparagraph (A) from the requirement under this section to prepare and submit an annual public housing plan, each qualified small public housing agency shall, on an annual basis, make the certification described in paragraph (15) of subsection (d) of this section, except that for purposes of such small public housing agencies, such paragraph shall be applied by substituting “the public housing*

program of the agency” for “the public housing agency plan”.

(C) *DEFINITION.*—For purposes of this section, the term “qualified small public housing agency” means a public housing agency that meets all of the following requirements:

(i) The sum of (I) the number of public housing dwelling units administered by the agency, and (II) the number of vouchers under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) administered by the agency, is 250 or fewer.

(ii) The agency is not designated pursuant to section 6(j)(2) as a troubled public housing agency.

* * * * *

(e) *RESIDENT ADVISORY BOARD.*—

(1) * * *

* * * * *

(4) *QUALIFIED SMALL PUBLIC HOUSING AGENCIES.*—

(A) *IN GENERAL.*—Except as provided in subparagraph (B), nothing in this section may be construed to exempt a qualified small public housing agency from the requirement under paragraph (1) to establish one or more resident advisory boards. Notwithstanding that qualified small public housing agencies are exempt pursuant to subsection (b)(3)(A) from the requirement under this section to prepare and submit an annual public housing plan, each qualified small public housing agency shall consult with, and consider the recommendations of the resident advisory boards for the agency, in any determinations and actions of the agency regarding establishing goals, objectives, and policies of the agency.

(B) *APPLICABILITY OF WAIVER AUTHORITY.*—Paragraph (3) shall apply to qualified small public housing agencies, except that for purposes of such small public housing agencies, subparagraph (B) of such paragraph shall be applied by substituting “the functions described in the second sentence of paragraph (4)(A)” for “the functions described in paragraph (2)”.

(f) *PUBLIC HEARINGS.*—

(1) * * *

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(5) *QUALIFIED SMALL PUBLIC HOUSING AGENCIES.*—

(A) *REQUIREMENT.*—Notwithstanding that qualified small public housing agencies are exempt pursuant to subsection (b)(3)(A) from the requirement under this section to conduct a public hearing regarding the annual public housing plan of the agency, each qualified small public housing agency shall, not less than annually, conduct a public hearing to discuss the goals, objectives, and policies of the agency, and any changes to such goals, objectives, and policies, and to invite public comment regarding such issues.

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(i) make all information relevant to the hearing and any determinations of the agency regarding the goals, objectives, and policies of the agency to be considered at the hearing available for inspection by the public at the principal office of the public housing agency during normal business hours; and

(ii) publish a notice informing the public that (I) the information is available as required under clause (i), and (II) a public hearing under subparagraph (A) will be conducted.

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