

Union Calendar No. 344

115TH CONGRESS
1ST SESSION

H. R. 4258

[Report No. 115–464]

To promote the development of local strategies to coordinate use of assistance under sections 8 and 9 of the United States Housing Act of 1937 with public and private resources, to enable eligible families to achieve economic independence and self-sufficiency, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 6, 2017

Mr. DUFFY (for himself and Mr. CLEAVER) introduced the following bill;
which was referred to the Committee on Financial Services

DECEMBER 13, 2017

Additional sponsors: Mr. ROSS, Mr. DELANEY, Mr. CAPUANO, Ms.
VELÁZQUEZ, Mrs. BEATTY, and Ms. NORTON

DECEMBER 13, 2017

Committed to the Committee of the Whole House on the State of the Union
and ordered to be printed

A BILL

To promote the development of local strategies to coordinate use of assistance under sections 8 and 9 of the United States Housing Act of 1937 with public and private resources, to enable eligible families to achieve economic independence and self-sufficiency, and for other purposes.

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 “Family Self-Sufficiency
 5 Act”.

6 **SEC. 2. FAMILY SELF-SUFFICIENCY PROGRAM.**

7 (a) IN GENERAL.—Section 23 of the United States
 8 Housing Act of 1937 (42 U.S.C. 1437u) is amended—

9 (1) in subsection (a)—

10 (A) by striking “public housing and”; and

11 (B) by striking “the certificate and vouch-
 12 er programs under section 8” and inserting
 13 “sections 8 and 9”;

14 (2) by amending subsection (b) to read as fol-
 15 lows:

16 “(b) CONTINUATION OF PRIOR REQUIRED PRO-
 17 GRAMS.—

18 “(1) IN GENERAL.—Each public housing agen-
 19 cy that was required to administer a local Family
 20 Self-Sufficiency program on the date of enactment of
 21 the Family Self-Sufficiency Act, shall operate such
 22 local program for, at a minimum, the number of
 23 families the agency was required to serve on the date
 24 of enactment of such Act, subject only to the avail-
 25 ability under appropriations Acts of sufficient

1 amounts for housing assistance and the require-
2 ments of paragraph (2).

3 “(2) REDUCTION.—The number of families for
4 which a public housing agency is required to operate
5 such local program under paragraph (1) shall be de-
6 creased by one for each family from any supported
7 rental housing program administered by such agency
8 that, after October 21, 1998, fulfills its obligations
9 under the contract of participation.

10 “(3) EXCEPTION.—The Secretary shall not re-
11 quire a public housing agency to carry out a manda-
12 tory program for a period of time upon the request
13 of the public housing agency and upon a determina-
14 tion by the Secretary that implementation is not fea-
15 sible because of local circumstances, which may in-
16 clude—

17 “(A) lack of supportive services accessible
18 to eligible families, which shall include insuffi-
19 cient availability of resources for programs
20 under title I of the Workforce Investment Act
21 of 1998 (29 U.S.C. 2801 et seq.);

22 “(B) lack of funding for reasonable admin-
23 istrative costs;

24 “(C) lack of cooperation by other units of
25 State or local government; or

1 “(D) any other circumstances that the Sec-
2 retary may consider appropriate.”;

3 (3) by striking subsection (i);

4 (4) by redesignating subsections (c), (d), (e),
5 (f), (g), and (h) as subsections (d), (e), (f), (g), (h),
6 and (i) respectively;

7 (5) by inserting after subsection (b), as amend-
8 ed, the following:

9 “(c) ELIGIBILITY.—

10 “(1) ELIGIBLE FAMILIES.—A family is eligible
11 to participate in a local Family Self-Sufficiency pro-
12 gram under this section if—

13 “(A) at least 1 household member seeks to
14 become and remain employed in suitable em-
15 ployment or to increase earnings; and

16 “(B) the household member receives direct
17 assistance under section 8 or resides in a unit
18 assisted under section 8 or 9.

19 “(2) ELIGIBLE ENTITIES.—The following enti-
20 ties are eligible to administer a local Family Self-
21 Sufficiency program under this section:

22 “(A) A public housing agency admin-
23 istering housing assistance to or on behalf of an
24 eligible family under section 8 or 9.

1 “(B) The owner or sponsor of a multi-
2 family property receiving project-based rental
3 assistance under section 8, in accordance with
4 the requirements under subsection (l).”;

5 (6) in subsection (d), as so redesignated—

6 (A) in paragraph (1)—

7 (i) by striking “public housing agen-
8 cy” the first time it appears and inserting
9 “eligible entity”;

10 (ii) in the first sentence, by striking
11 “each leaseholder receiving assistance
12 under the certificate and voucher programs
13 of the public housing agency under section
14 8 or residing in public housing adminis-
15 tered by the agency” and inserting “a
16 household member of an eligible family”;
17 and

18 (iii) by striking the third sentence and
19 inserting the following: “Housing assist-
20 ance may not be terminated as a con-
21 sequence of either successful completion of
22 the contract of participation or failure to
23 complete such contract. A contract of par-
24 ticipation shall remain in effect until the
25 participating family exits the Family Self-

1 Sufficiency program upon successful grad-
2 uation or expiration of the contract of par-
3 ticipation, or for other good cause.”;

4 (B) in paragraph (2)—

5 (i) in the matter preceding subpara-
6 graph (A)—

7 (I) in the first sentence—

8 (aa) by striking “A local
9 program under this section” and
10 inserting “An eligible entity”;

11 (bb) by striking “provide”
12 and inserting “coordinate”; and

13 (cc) by striking “to” and in-
14 serting “for”; and

15 (II) in the second sentence—

16 (aa) by striking “provided
17 during” and inserting “coordi-
18 nated for”;

19 (bb) by striking “under sec-
20 tion 8 or residing in public hous-
21 ing” and inserting “pursuant to
22 section 8 or 9 and for the dura-
23 tion of the contract of participa-
24 tion”; and

1 (cc) by inserting “, but are
2 not limited to” after “may in-
3 clude”;

4 (ii) in subparagraph (D), by inserting
5 “or attainment of a high school equiva-
6 lency certificate” after “high school”;

7 (iii) by striking subparagraph (G);

8 (iv) by redesignating subparagraphs
9 (E), (F), and (J) as subparagraphs (F),
10 (G), and (K) respectively;

11 (v) by inserting after subparagraph
12 (D) the following:

13 “(E) education in pursuit of a post-sec-
14 ondary degree or certification;”;

15 (vi) in subparagraph (H), by inserting
16 “financial literacy, such as training in fi-
17 nancial management, financial coaching,
18 and asset building, and” after “training
19 in”;

20 (vii) in subparagraph (I), by striking
21 “and” at the end; and

22 (viii) by inserting after subparagraph
23 (I) the following:

24 “(J) homeownership education and assist-
25 ance; and”;

1 (C) in paragraph (3)—

2 (i) in the first sentence, by inserting
3 “the first recertification of income after”
4 after “not later than 5 years after”; and

5 (ii) in the second sentence—

6 (I) by striking “public housing
7 agency” and inserting “eligible enti-
8 ty”; and

9 (II) by striking “of the agency”;

10 (D) by amending paragraph (4) to read as
11 follows:

12 “(4) EMPLOYMENT.—The contract of participa-
13 tion shall require 1 household member of the partici-
14 pating family to seek and maintain suitable employ-
15 ment.”; and

16 (E) by adding at the end the following:

17 “(5) NONPARTICIPATION.—Assistance under
18 section 8 or 9 for a family that elects not to partici-
19 pate in a Family Self-Sufficiency program shall not
20 be delayed by reason of such election.”;

21 (7) in subsection (e), as so redesignated—

22 (A) in paragraph (1), by striking “whose
23 monthly adjusted income does not exceed 50
24 percent” and all that follows through the period
25 at the end of the third sentence and inserting

1 “shall be calculated under the rental provisions
2 of section 3 or section 8(o), as applicable.”;

3 (B) in paragraph (2)—

4 (i) by striking the first sentence and
5 inserting the following: “For each partici-
6 pating family, an amount equal to any in-
7 crease in the amount of rent paid by the
8 family in accordance with the provisions of
9 section 3 or 8(o), as applicable, that is at-
10 tributable to increases in earned income by
11 the participating family, shall be placed in
12 an interest-bearing escrow account estab-
13 lished by the eligible entity on behalf of the
14 participating family. Notwithstanding any
15 other provision of law, an eligible entity
16 may use funds it controls under section 8
17 or 9 for purposes of making the escrow de-
18 posit for participating families assisted
19 under, or residing in units assisted under,
20 section 8 or 9, respectively, provided such
21 funds are offset by the increase in the
22 amount of rent paid by the participating
23 family.”;

24 (ii) by striking the second sentence
25 and inserting the following: “All Family

1 Self-Sufficiency programs administered
2 under this section shall include an escrow
3 account.”;

4 (iii) in the fourth sentence, by striking
5 “subsection (c)” and inserting “subsection
6 (d)”;

7 (iv) in the last sentence—

8 (I) by striking “A public housing
9 agency” and inserting “An eligible en-
10 tity”;

11 (II) by striking “the public hous-
12 ing agency” and inserting “such eligi-
13 ble entity”;

14 (C) by amending paragraph (3) to read as
15 follows:

16 “(3) FORFEITED ESCROW.—Any amount placed
17 in an escrow account established by an eligible entity
18 for a participating family as required under para-
19 graph (2), that exists after the end of a contract of
20 participation by a household member of a partici-
21 pating family that does not qualify to receive the es-
22 crow, shall be used by the eligible entity for the ben-
23 efit of participating families in good standing.”;

24 (8) in subsection (f), as so redesignated, by
25 striking “, unless the income of the family equals or

1 exceeds 80 percent of the median income of the area
2 (as determined by the Secretary with adjustments
3 for smaller and larger families)”;

4 (9) in subsection (g), as so redesignated—

5 (A) in paragraph (1)—

6 (i) by striking “public housing agen-
7 cy” and inserting “eligible entity”;

8 (ii) by striking “the public housing
9 agency” and inserting “such eligible enti-
10 ty”; and

11 (iii) by striking “subsection (g)” and
12 inserting “subsection (h)”; and

13 (B) in paragraph (2)—

14 (i) by striking “public housing agen-
15 cy” and inserting “eligible entity” each
16 place that term appears;

17 (ii) by striking “or the Job Opportu-
18 nities and Basic Skills Training Program
19 under part F of title IV of the Social Secu-
20 rity Act”;

21 (iii) by inserting “primary, secondary,
22 and post-secondary” after “public and pri-
23 vate”; and

24 (iv) in the second sentence, by insert-
25 ing “and tenants served by the program”

1 after “the unit of general local govern-
2 ment”;

3 (10) in subsection (h), as so redesignated—

4 (A) in paragraph (1)—

5 (i) by striking “public housing agen-
6 cy” and inserting “eligible entity”;

7 (ii) by striking “participating in the”
8 and inserting “carrying out a”; and

9 (iii) by striking “to the Secretary”;

10 (B) in paragraph (2)—

11 (i) by striking “public housing agen-
12 cy” and inserting “eligible entity”;

13 (ii) by striking “subsection (f)” and
14 inserting “subsection (g)”;

15 (iii) by striking “residents of the pub-
16 lic housing” and inserting “the current
17 and prospective participants of the pro-
18 gram”; and

19 (iv) by striking “or the Job Opportu-
20 nities and Basic Skills Training Program
21 under part F of title IV of the Social Secu-
22 rity Act”; and

23 (C) in paragraph (3)—

24 (i) in subparagraph (C)—

1 (I) by striking “subsection
2 (c)(2)” and inserting “subsection
3 (d)(2)”;

4 (II) by striking “provided to”
5 and inserting “coordinated on behalf
6 of participating”;

7 (III) by inserting “direct” before
8 “assistance”; and

9 (IV) by striking “the section 8
10 and public housing programs” and in-
11 serting “sections 8 and 9”;

12 (ii) in subparagraph (D)—

13 (I) by striking “subsection (d)”
14 and inserting “subsection (e)”; and

15 (II) by striking “public housing
16 agency” and inserting “eligible enti-
17 ty”;

18 (iii) in subparagraph (E), by striking
19 “deliver” and inserting “coordinate”;

20 (iv) in subparagraph (H), by striking
21 “the Job Opportunities and Basic Skills
22 Training Program under part F of title IV
23 of the Social Security Act and”; and

24 (v) in subparagraph (I), by striking
25 “public housing or section 8 assistance”

1 and inserting “assistance under section 8
2 or 9”;

3 (11) by amending subsection (i), as so redesign-
4 nated, to read as follows:

5 “(i) FAMILY SELF-SUFFICIENCY AWARDS.—

6 “(1) IN GENERAL.—Subject to appropriations,
7 the Secretary shall establish a formula by which an-
8 nual funds will be awarded or as otherwise deter-
9 mined by the Secretary for the costs incurred by an
10 eligible entity in administering the self-sufficiency
11 program under this section.

12 “(2) ELIGIBILITY FOR AWARDS.—The award
13 established under paragraph (1) shall provide fund-
14 ing for family self-sufficiency coordinators as follows:

15 “(A) BASE AWARD.—An eligible entity
16 serving 25 or more participants in the Family
17 Self-Sufficiency program under this section is
18 eligible to receive an award equal to the costs,
19 as determined by the Secretary, of 1 full-time
20 family self-sufficiency coordinator position. The
21 Secretary may, by regulation or notice, deter-
22 mine the policy concerning the award for an eli-
23 gible entity serving fewer than 25 such partici-
24 pants, including providing prorated awards or
25 allowing such entities to combine their pro-

grams under this section for purposes of employing a coordinator.

“(B) ADDITIONAL AWARD.—An eligible entity that meets performance standards set by the Secretary is eligible to receive an additional award sufficient to cover the costs of filling an additional family self-sufficiency coordinator position if such entity has 75 or more participating families, and an additional coordinator for each additional 50 participating families, or such other ratio as may be established by the Secretary based on the award allocation evaluation under subparagraph (E).

“(C) STATE AND REGIONAL AGENCIES.—For purposes of calculating the award under this paragraph, each administratively distinct part of a State or regional eligible entity may be treated as a separate agency.

“(D) DETERMINATION OF NUMBER OF COORDINATORS.—In determining whether an eligible entity meets a specific threshold for funding pursuant to this paragraph, the Secretary shall consider the number of participants enrolled by the eligible entity in its Family Self-Sufficiency

1 program as well as other criteria determined by
2 the Secretary.

3 “(E) AWARD ALLOCATION EVALUATION.—

4 The Secretary shall submit to Congress a report
5 evaluating the award allocation under this sub-
6 section, and make recommendations based on
7 this evaluation and other related findings to
8 modify such allocation, within 4 years after the
9 date of enactment of the Family Self-Suffi-
10 ciency Act, and not less frequently than every
11 4 years thereafter. The report requirement
12 under this subparagraph shall terminate after
13 the Secretary has submitted two such reports to
14 Congress.

15 “(3) RENEWALS AND ALLOCATION.—

16 “(A) IN GENERAL.—Funds allocated by
17 the Secretary under this subsection shall be al-
18 located in the following order of priority:

19 “(i) FIRST PRIORITY.—Renewal of the
20 full cost of all coordinators in the previous
21 year at each eligible entity with an existing
22 Family Self-Sufficiency program that
23 meets applicable performance standards
24 set by the Secretary.

1 “(ii) SECOND PRIORITY.—New or in-
2 cremental coordinator funding authorized
3 under this section.

4 “(B) GUIDANCE.—If the first priority, as
5 described in subparagraph (A)(i), cannot be
6 fully satisfied, the Secretary may prorate the
7 funding for each eligible entity, as long as—

8 “(i) each eligible entity that has re-
9 ceived funding for at least 1 part-time co-
10 ordinator in the prior fiscal year is pro-
11 vided sufficient funding for at least 1 part-
12 time coordinator as part of any such pro-
13 ration; and

14 “(ii) each eligible entity that has re-
15 ceived funding for at least 1 full-time coor-
16 dinator in the prior fiscal year is provided
17 sufficient funding for at least 1 full-time
18 coordinator as part of any such proration.

19 “(4) RECAPTURE OR OFFSET.—Any awards al-
20 located under this subsection by the Secretary in a
21 fiscal year that have not been spent by the end of
22 the subsequent fiscal year or such other time period
23 as determined by the Secretary may be recaptured
24 by the Secretary and shall be available for providing
25 additional awards pursuant to paragraph (2)(B), or

1 may be offset as determined by the Secretary. Funds
2 appropriated pursuant to this section shall remain
3 available for 3 years in order to facilitate the re-use
4 of any recaptured funds for this purpose.

5 “(5) PERFORMANCE REPORTING.—Programs
6 under this section shall be required to report the
7 number of families enrolled and graduated, the num-
8 ber of established escrow accounts and positive es-
9 crow balances, and any other information that the
10 Secretary may require. Program performance shall
11 be reviewed periodically as determined by the Sec-
12 retary.

13 “(6) INCENTIVES FOR INNOVATION AND HIGH
14 PERFORMANCE.—The Secretary may reserve up to 5
15 percent of the amounts made available under this
16 subsection to provide support to or reward Family
17 Self-Sufficiency programs based on the rate of suc-
18 cessful completion, increased earned income, or
19 other factors as may be established by the Sec-
20 retary.”;

21 (12) in subsection (j)—

22 (A) by striking “public housing agency”
23 and inserting “eligible entity”;

24 (B) by striking “public housing” before
25 “units”;

1 (C) by striking “in public housing projects
2 administered by the agency”;

3 (D) by inserting “or coordination” after
4 “provision”; and

5 (E) by striking the last sentence;

6 (13) in subsection (k), by striking “public hous-
7 ing agencies” and inserting “eligible entities”;

8 (14) by striking subsection (n);

9 (15) by striking subsection (o);

10 (16) by redesignating subsections (l) and (m) as
11 subsections (m) and (n), respectively;

12 (17) by inserting after subsection (k) the fol-
13 lowing:

14 “(l) PROGRAMS FOR TENANTS IN PRIVATELY OWNED
15 PROPERTIES WITH PROJECT-BASED ASSISTANCE.—

16 “(1) VOLUNTARY AVAILABILITY OF FSS PRO-
17 GRAM.—The owner of a privately owned property
18 may voluntarily make a Family Self-Sufficiency pro-
19 gram available to the tenants of such property in ac-
20 cordance with procedures established by the Sec-
21 retary. Such procedures shall permit the owner to
22 enter into a cooperative agreement with a local pub-
23 lic housing agency that administers a Family Self-
24 Sufficiency program or, at the owner’s option, oper-
25 ate a Family Self-Sufficiency program on its own or

1 in partnership with another owner. An owner, who
2 voluntarily makes a Family Self-Sufficiency program
3 available pursuant to this subsection, may access
4 funding from any residual receipt accounts for the
5 property to hire a family self-sufficiency coordinator
6 or coordinators for their program.

7 “(2) COOPERATIVE AGREEMENT.—Any coopera-
8 tive agreement entered into pursuant to paragraph
9 (1) shall require the public housing agency to open
10 its Family Self-Sufficiency program waiting list to
11 any eligible family residing in the owner’s property
12 who resides in a unit assisted under project-based
13 rental assistance.

14 “(3) TREATMENT OF FAMILIES ASSISTED
15 UNDER THIS SUBSECTION.—A public housing agency
16 that enters into a cooperative agreement pursuant to
17 paragraph (1) may count any family participating in
18 its Family Self-Sufficiency program as a result of
19 such agreement as part of the calculation of the
20 award under subsection (i).

21 “(4) ESCROW.—

22 “(A) COOPERATIVE AGREEMENT.—A coop-
23 erative agreement entered into pursuant to
24 paragraph (1) shall provide for the calculation
25 and tracking of the escrow for participating

1 residents and for the owner to make available,
2 upon request of the public housing agency, es-
3 crow for participating residents, in accordance
4 with paragraphs (2) and (3) of subsection (e),
5 residing in units assisted under section 8.

6 “(B) CALCULATION AND TRACKING BY
7 OWNER.—The owner of a privately owned prop-
8 erty who voluntarily makes a Family Self-Suffi-
9 ciency program available pursuant to paragraph
10 (1) shall calculate and track the escrow for par-
11 ticipating residents and make escrow for par-
12 ticipating residents available in accordance with
13 paragraphs (2) and (3) of subsection (e).

14 “(5) EXCEPTION.—This subsection shall not
15 apply to properties assisted under section 8(o)(13).

16 “(6) SUSPENSION OF ENROLLMENT.—In any
17 year, the Secretary may suspend the enrollment of
18 new families in Family Self-Sufficiency programs
19 under this subsection based on a determination that
20 insufficient funding is available for this purpose.”;

21 (18) in subsection (m), as so redesignated—

22 (A) in paragraph (1)—

23 (i) in the first sentence, by striking
24 “Each public housing agency” and insert-
25 ing “Each eligible entity”;

1 (ii) in the second sentence, by striking
 2 “The report shall include” and inserting
 3 “The contents of the report shall include”;
 4 and

5 (iii) in subparagraph (D)—

6 (I) by striking “public housing
 7 agency” and inserting “eligible enti-
 8 ty”; and

9 (II) by striking “local”; and

10 (B) in paragraph (2), by inserting “and
 11 describing any additional research needs of the
 12 Secretary to evaluate the effectiveness of the
 13 program” after “under paragraph (1)”;

14 (19) in subsection (n), as so redesignated, by
 15 striking “may” and inserting “shall”; and

16 (20) by adding at the end the following:

17 “(o) DEFINITIONS.—In this section:

18 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-
 19 tity’ means an entity that meets the requirements
 20 under subsection (c)(2) to administer a Family Self-
 21 Sufficiency program under this section.

22 “(2) ELIGIBLE FAMILY.—The term ‘eligible
 23 family’ means a family that meets the requirements
 24 under subsection (c)(1) to participate in the Family
 25 Self-Sufficiency program under this section.

1 “(3) PARTICIPATING FAMILY.—The term ‘par-
2 ticipating family’ means an eligible family that is
3 participating in the Family Self-Sufficiency program
4 under this section.”.

5 (b) EFFECTIVE DATE.—Not later than 360 days
6 after the date of enactment of this Act, the Secretary of
7 Housing and Urban Development shall issue notice or reg-
8 ulations to implement this Act and any amendments made
9 by this Act, and this Act and any amendments made by
10 this Act shall take effect upon such issuance.

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115TH CONGRESS
1ST Session

H. R. 4258

[Report No. 115-464]

A BILL

To promote the development of local strategies to coordinate use of assistance under sections 8 and 9 of the United States Housing Act of 1937 with public and private resources, to enable eligible families to achieve economic independence and self-sufficiency, and for other purposes.

DECEMBER 13, 2017

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed