

107TH CONGRESS
1ST SESSION

S. 1887

To provide for renewal of project-based assisted housing contracts at reimbursement levels that are sufficient to sustain operations, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 20 (legislative day, DECEMBER 18), 2001

Ms. SNOWE introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To provide for renewal of project-based assisted housing contracts at reimbursement levels that are sufficient to sustain operations, 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. EXTENSION OF SECTION 8 CONTRACT RENEW-**
4 **ALS.**

5 (a) RENEWAL OF EXPIRING PROJECT-BASED SEC-
6 TION 8 CONTRACTS.—Section 524 of the Multifamily As-
7 sisted Housing Reform and Affordability Act of 1997 (42
8 U.S.C. 1437f note) is amended—

9 (1) in subsection (a)(4)(A)(iv)—

1 (A) in subclause (I), by inserting “or”
 2 after the semicolon;

3 (B) by striking subclause (II); and

4 (C) by redesignating subclause (III) as
 5 subclause (II); and

6 (2) by striking subsection (b)(3).

7 (b) ADJUSTMENTS FOR COVERED PROJECTS.—

8 (1) RENT DETERMINATION AT INITIAL RE-
 9 NEWAL AFTER ENACTMENT.—Upon the first request
 10 for renewal of project-based assistance pursuant to
 11 section 524 after the date of enactment of this Act
 12 by an owner of a covered housing project—

13 (A) the rent levels at which assistance will
 14 be provided pursuant to such renewal will be
 15 determined as if such renewal were the initial
 16 renewal of a contract for assistance under sec-
 17 tion 524, as amended by subsection (a) of this
 18 Act; and

19 (B) solely for purposes of determining the
 20 rent levels at which assistance will be provided
 21 pursuant to such first renewal after the date of
 22 enactment of this Act, in the case of a project
 23 for which contract rents were reduced on a
 24 prior renewal of an expiring contract pursuant
 25 to subsection (b)(3) of section 524, as in effect

on the day before the date of enactment of this Act, the contract rent levels in effect immediately prior to such first renewal after the date of enactment of this Act shall be considered to be the deemed rent levels described in paragraph (3)(C).

(2) RENT ADJUSTMENTS AFTER INITIAL RENEWAL AFTER ENACTMENT.—After the first renewal of a contract for assistance of a covered project after the date of enactment of this Act in accordance with paragraph (1) of this subsection, the Secretary shall adjust rents in accordance with section 524(c).

(3) DEFINITIONS.—In this subsection—

(A) references to “section 524” or any subdivision thereof are references to section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note);

(B) the term “covered housing project” means a project that receives project-based assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) which was renewed prior to the date of enactment of this Act pursuant to subsection (b)(3) of sec-

tion 524, as in effect on the day before the date of enactment of this Act;

(C) the term “deemed rent levels” means the contract rent levels in effect immediately prior to the first renewal of assistance pursuant to subsection (b)(3) of section 524, as in effect on the day before the date of enactment of this Act, upon which contract rent levels were reduced, as adjusted by the applicable operating cost adjustment factor established by the Secretary at the date of such renewal and at the date of any subsequent renewal pursuant to subsection (b)(3) of section 524 occurring before the date of enactment of this Act; and

(D) the term “Secretary” means the Secretary of Housing and Urban Development.

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