

111TH CONGRESS
1ST SESSION

S. 1481

To amend section 811 of the Cranston-Gonzalez National Affordable Housing Act to improve the program under such section for supportive housing for persons with disabilities.

IN THE SENATE OF THE UNITED STATES

JULY 21, 2009

Mr. MENENDEZ (for himself and Mr. JOHANNES) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To amend section 811 of the Cranston-Gonzalez National Affordable Housing Act to improve the program under such section for supportive housing for persons with disabilities.

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; REFERENCES.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Frank Melville Supportive Housing Investment Act of
6 2009”.

7 (b) REFERENCES.—Except as otherwise expressly
8 provided, wherever in this Act an amendment or repeal

1 is expressed in terms of an amendment to, or repeal of,
 2 section 811 or any other provision of section 811, the ref-
 3 erence shall be considered to be made to section 811 of
 4 the Cranston-Gonzalez National Affordable Housing Act
 5 (42 U.S.C. 8013).

6 **SEC. 2. TENANT-BASED RENTAL ASSISTANCE THROUGH**
 7 **CERTIFICATE FUND.**

8 (a) **TERMINATION OF MAINSTREAM TENANT-BASED**
 9 **RENTAL ASSISTANCE PROGRAM.**—Section 811 is amend-
 10 ed—

11 (1) in subsection (b)—

12 (A) by striking the subsection designation
 13 and all that follows through the end of subpara-
 14 graph (B) of paragraph (2) and inserting the
 15 following:

16 “(b) **AUTHORITY TO PROVIDE ASSISTANCE.**—The
 17 Secretary is authorized to provide assistance to private
 18 nonprofit organizations to expand the supply of supportive
 19 housing for persons with disabilities, which shall be pro-
 20 vided as—

21 “(1) capital advances in accordance with sub-
 22 section (d)(1), and

23 “(2) contracts for project rental assistance in
 24 accordance with subsection (d)(2).”; and

1 (B) by striking “assistance under this
2 paragraph” and inserting “Assistance under
3 this subsection”;

4 (2) in subsection (d), by striking paragraph (4);
5 and

6 (3) in subsection (l), by striking paragraph (1).

7 (b) RENEWAL THROUGH SECTION 8.—Section 811
8 is amended by adding at the end the following new sub-
9 section:

10 “(p) AUTHORIZATION OF APPROPRIATIONS FOR SEC-
11 TION 8 ASSISTANCE.—

12 “(1) IN GENERAL.—There is authorized to be
13 appropriated for tenant-based rental assistance
14 under section 8(o) of the United States Housing Act
15 of 1937 (42 U.S.C. 1437f(o)) for persons with dis-
16 abilities in fiscal year 2009 the amount necessary to
17 provide a number of incremental vouchers under
18 such section that is equal to the number of vouchers
19 provided in fiscal year 2008 under the tenant-based
20 rental assistance program under subsection (d)(4) of
21 this section (as in effect before the date of the enact-
22 ment of the Frank Melville Supportive Housing In-
23 vestment Act of 2009).

24 “(2) REQUIREMENTS UPON TURNOVER.—The
25 Secretary shall develop and issue, to public housing

1 agencies that receive voucher assistance made avail-
 2 able under this subsection and to public housing
 3 agencies that received voucher assistance under sec-
 4 tion 8(o) of the United States Housing Act of 1937
 5 (42 U.S.C. 1437f(o)) for non-elderly disabled fami-
 6 lies pursuant to appropriation Acts for fiscal years
 7 1997 through 2002 or any other subsequent appro-
 8 priations for incremental vouchers for non-elderly
 9 disabled families, guidance to ensure that, to the
 10 maximum extent possible, such vouchers continue to
 11 be provided upon turnover to qualified persons with
 12 disabilities or to qualified non-elderly disabled fami-
 13 lies, respectively.”.

14 **SEC. 3. MODERNIZED CAPITAL ADVANCE PROGRAM.**

15 (a) PROJECT RENTAL ASSISTANCE CONTRACTS.—

16 Section 811 is amended—

17 (1) in subsection (d)(2)—

18 (A) by inserting “(A) INITIAL PROJECT
 19 RENTAL ASSISTANCE CONTRACT.—” after
 20 “PROJECT RENTAL ASSISTANCE.—”;

21 (B) in the first sentence, by inserting after
 22 “shall” the following: “comply with subsection
 23 (e)(2) and shall”;

24 (C) by striking “annual contract amount”
 25 each place such term appears and inserting

1 “amount provided under the contract for each
2 year covered by the contract”; and

3 (D) by adding at the end the following new
4 subparagraph:

5 “(B) RENEWAL OF AND INCREASES IN CON-
6 TRACT AMOUNTS.—

7 “(i) EXPIRATION OF CONTRACT TERM.—

8 Upon the expiration of each contract term, sub-
9 ject to the availability of amounts made avail-
10 able in appropriation Acts, the Secretary shall
11 adjust the annual contract amount to provide
12 for reasonable project costs, and any increases,
13 including adequate reserves and service coordi-
14 nators, except that any contract amounts not
15 used by a project during a contract term shall
16 not be available for such adjustments upon re-
17 newal.

18 “(ii) EMERGENCY SITUATIONS.—In the
19 event of emergency situations that are outside
20 the control of the owner, the Secretary shall in-
21 crease the annual contract amount, subject to
22 reasonable review and limitations as the Sec-
23 retary shall provide.”.

24 (2) in subsection (e)(2)—

(A) in the first sentence, by inserting before the period at the end the following: “, except that, in the case of the sponsor of a project assisted with any low-income housing tax credit pursuant to section 42 of the Internal Revenue Code of 1986 or with any tax-exempt housing bonds, the contract shall have an initial term of not be less than 360 months and shall provide funding for a term of 60 months”; and

(B) by striking “extend any expiring contract” and insert “upon expiration of a contract (or any renewed contract), renew such contract”.

(b) PROGRAM REQUIREMENTS.—Section 811 is amended—

(1) in subsection (e)—

(A) by striking the subsection heading and inserting the following: “PROGRAM REQUIREMENTS”;

(B) by striking paragraph (1) and inserting the following new paragraph:

“(1) USE RESTRICTIONS.—

“(A) TERM.—Any project for which a capital advance is provided under subsection (d)(1) shall be operated for not less than 40 years as

supportive housing for persons with disabilities,
 in accordance with the application for the
 project approved by the Secretary and shall,
 during such period, be made available for occu-
 pancy only by very low-income persons with dis-
 abilities.

“(B) CONVERSION.—If the owner of a
 project requests the use of the project for the
 direct benefit of very low-income persons with
 disabilities and, pursuant to such request the
 Secretary determines that a project is no longer
 needed for use as supportive housing for per-
 sons with disabilities, the Secretary may ap-
 prove the request and authorize the owner to
 convert the project to such use.”; and

(C) by adding at the end the following new
 paragraphs:

“(3) LIMITATION ON USE OF FUNDS.—No as-
 sistance received under this section (or any State or
 local government funds used to supplement such as-
 sistance) may be used to replace other State or local
 funds previously used, or designated for use, to as-
 sist persons with disabilities.

“(4) MULTIFAMILY PROJECTS.—

1 “(A) LIMITATION.—Except as provided in
 2 subparagraph (B), of the total number of dwell-
 3 ing units in any multifamily housing project
 4 (including any condominium or cooperative
 5 housing project) containing any unit for which
 6 assistance is provided from a capital grant
 7 under subsection (d)(1) made after the date of
 8 the enactment of the Frank Melville Supportive
 9 Housing Investment Act of 2009, the aggregate
 10 number that are used for persons with disabil-
 11 ities, including supportive housing for persons
 12 with disabilities, or to which any occupancy
 13 preference for persons with disabilities applies,
 14 may not exceed 25 percent of such total.

15 “(B) EXCEPTION.—Subparagraph (A)
 16 shall not apply in the case of any project that
 17 is a group home or independent living facility.”;
 18 and

19 (2) in subsection (l), by striking paragraph (4).

20 (c) DELEGATED PROCESSING.—Subsection (g) of
 21 section 811 (42 U.S.C. 8013(g)) is amended—

22 (1) by striking “SELECTION CRITERIA.—” and
 23 inserting “SELECTION CRITERIA AND PROC-
 24 ESSING.—(1) SELECTION CRITERIA.—”;

1 (2) by redesignating paragraphs (1), (2), (3),
 2 (4), (5), (6), and (7) as subparagraphs (A), (B),
 3 (C), (D), (E), (G), and (H), respectively; and

4 (3) by adding at the end the following new
 5 paragraph:

6 “(2) DELEGATED PROCESSING.—

7 “(A) In issuing a capital advance under sub-
 8 section (d)(1) for any multifamily project (but not
 9 including any project that is a group home or inde-
 10 pendent living facility) for which financing for the
 11 purposes described in the last sentence of subsection
 12 (b) is provided by a combination of the capital ad-
 13 vance and sources other than this section, within 30
 14 days of award of the capital advance, the Secretary
 15 shall delegate review and processing of such projects
 16 to a State or local housing agency that—

17 “(i) is in geographic proximity to the prop-
 18 erty;

19 “(ii) has demonstrated experience in and
 20 capacity for underwriting multifamily housing
 21 loans that provide housing and supportive serv-
 22 ices;

23 “(iii) may or may not be providing low-in-
 24 come housing tax credits in combination with
 25 the capital advance under this section; and

1 “(iv) agrees to issue a firm commitment
2 within 12 months of delegation.

3 “(B) The Secretary shall retain the authority to
4 process capital advances in cases in which no State
5 or local housing agency has applied to provide dele-
6 gated processing pursuant to this paragraph or no
7 such agency has entered into an agreement with the
8 Secretary to serve as a delegated processing agency.

9 “(C) An agency to which review and processing
10 is delegated pursuant to subparagraph (A) may as-
11 sess a reasonable fee which shall be included in the
12 capital advance amounts and may recommend
13 project rental assistance amounts in excess of those
14 initially awarded by the Secretary. The Secretary
15 shall develop a schedule for reasonable fees under
16 this subparagraph to be paid to delegated processing
17 agencies, which shall take into consideration any
18 other fees to be paid to the agency for other funding
19 provided to the project by the agency, including
20 bonds, tax credits, and other gap funding.

21 “(D) Under such delegated system, the Sec-
22 retary shall retain the authority to approve rents
23 and development costs and to execute a capital ad-
24 vance within 60 days of receipt of the commitment
25 from the State or local agency. The Secretary shall

1 provide to such agency and the project sponsor, in
 2 writing, the reasons for any reduction in capital ad-
 3 vance amounts or project rental assistance and such
 4 reductions shall be subject to appeal.”.

5 (d) LEVERAGING OTHER RESOURCES.—Paragraph
 6 (1) of section 811(g) (as so designated by subsection
 7 (c)(1) of this section) is amended by inserting after sub-
 8 paragraph (E) (as so redesignated by subsection (c)(2) of
 9 this section) the following new subparagraph:

10 “(F) the extent to which the per-unit cost
 11 of units to be assisted under this section will be
 12 supplemented with resources from other public
 13 and private sources;”.

14 (e) TENANT PROTECTIONS AND ELIGIBILITY FOR
 15 OCCUPANCY.—Section 811 is amended by striking sub-
 16 section (i) and inserting the following new subsection:

17 “(i) ADMISSION AND OCCUPANCY.—

18 “(1) TENANT SELECTION.—

19 “(A) PROCEDURES.—An owner shall adopt
 20 written tenant selection procedures that are sat-
 21 isfactory to the Secretary as (i) consistent with
 22 the purpose of improving housing opportunities
 23 for very low-income persons with disabilities;
 24 and (ii) reasonably related to program eligibility
 25 and an applicant’s ability to perform the obliga-

1 tions of the lease. Owners shall promptly notify
2 in writing any rejected applicant of the grounds
3 for any rejection.

4 “(B) REQUIREMENT FOR OCCUPANCY.—
5 Occupancy in dwelling units provided assistance
6 under this section shall be available only to per-
7 sons with disabilities and households that in-
8 clude at least one person with a disability.

9 “(C) AVAILABILITY.—Except only as pro-
10 vided in subparagraph (D), occupancy in dwell-
11 ing units in housing provided with assistance
12 under this section shall be available to all per-
13 sons with disabilities eligible for such occupancy
14 without regard to the particular disability in-
15 volved.

16 “(D) LIMITATION ON OCCUPANCY.—Not-
17 withstanding any other provision of law, the
18 owner of housing developed under this section
19 may, with the approval of the Secretary, limit
20 occupancy within the housing to persons with
21 disabilities who can benefit from the supportive
22 services offered in connection with the housing.

23 “(2) TENANT PROTECTIONS.—

24 “(A) LEASE.—The lease between a tenant
25 and an owner of housing assisted under this

1 section shall be for not less than one year, and
 2 shall contain such terms and conditions as the
 3 Secretary shall determine to be appropriate.

4 “(B) TERMINATION OF TENANCY.—An
 5 owner may not terminate the tenancy or refuse
 6 to renew the lease of a tenant of a rental dwell-
 7 ing unit assisted under this section except—

8 “(i) for serious or repeated violation
 9 of the terms and conditions of the lease,
 10 for violation of applicable Federal, State,
 11 or local law, or for other good cause; and

12 “(ii) by providing the tenant, not less
 13 than 30 days before such termination or
 14 refusal to renew, with written notice speci-
 15 fying the grounds for such action.

16 “(C) VOLUNTARY PARTICIPATION IN SERV-
 17 ICES.—A supportive service plan for housing
 18 assisted under this section shall permit each
 19 resident to take responsibility for choosing and
 20 acquiring their own services, to receive any sup-
 21 portive services made available directly or indi-
 22 rectly by the owner of such housing, or to not
 23 receive any supportive services.”.

24 (f) DEVELOPMENT COST LIMITATIONS.—Subsection
 25 (h) of section 811 is amended—

1 (1) in paragraph (1)—

2 (A) by striking the paragraph heading and
3 inserting “GROUP HOMES”;

4 (B) in the first sentence, by striking “var-
5 ious types and sizes” and inserting “group
6 homes”;

7 (C) by striking subparagraph (E); and

8 (D) by redesignating subparagraphs (F)
9 and (G) as subparagraphs (E) and (F), respec-
10 tively;

11 (2) in paragraph (3), by inserting “established
12 pursuant to paragraph (1)” after “cost limitation”;
13 and

14 (3) by adding at the end the following new
15 paragraph:

16 “(6) APPLICABILITY OF HOME PROGRAM COST
17 LIMITATIONS.—

18 “(A) IN GENERAL.—The provisions of sec-
19 tion 212(e) of the Cranston-Gonzalez National
20 Affordable Housing Act (42 U.S.C. 12742(e))
21 and the cost limits established by the Secretary
22 pursuant to such section with respect to the
23 amount of funds under subtitle A of title II of
24 such Act that may be invested on a per unit
25 basis, shall apply to supportive housing assisted

1 with a capital advance under subsection (d)(1)
2 and the amount of funds under such subsection
3 that may be invested on a per unit basis.

4 “(B) WAIVERS.—The Secretary shall pro-
5 vide for waiver of the cost limits applicable pur-
6 suant to subparagraph (A)—

7 “(i) in the cases in which the cost lim-
8 its established pursuant to section 212(e)
9 of the Cranston-Gonzalez National Afford-
10 able Housing Act may be waived; and

11 “(ii) to provide for—

12 “(I) the cost of special design
13 features to make the housing acces-
14 sible to persons with disabilities;

15 “(II) the cost of special design
16 features necessary to make individual
17 dwelling units meet the special needs
18 of persons with disabilities; and

19 “(III) the cost of providing the
20 housing in a location that is accessible
21 to public transportation and commu-
22 nity organizations that provide sup-
23 portive services to persons with dis-
24 abilities.”.

1 (g) REPEAL OF AUTHORITY TO WAIVE SIZE LIMITA-
 2 TIONS.—Paragraph (1) of section 811(k) is amended—

3 (1) in paragraph (1), by striking the second
 4 sentence; and

5 (2) in paragraph (4), by striking “(or such
 6 higher number of persons” and all that follows
 7 through “subsection (h)(6))”.

8 (h) MINIMUM ALLOCATION FOR MULTIFAMILY
 9 PROJECTS.—Subsection (l) of section 811, as amended by
 10 the preceding provisions of this Act, is further amended
 11 by inserting before paragraph (2) the following new para-
 12 graph:

13 “(1) MINIMUM ALLOCATION FOR MULTIFAMILY
 14 PROJECTS.—The Secretary shall establish a min-
 15 imum percentage of the amount made available for
 16 each fiscal year for capital advances under sub-
 17 section (d)(1) that shall be used for multifamily
 18 projects subject to subsection (e)(4).”.

19 **SEC. 4. PROJECT RENTAL ASSISTANCE COMPETITIVE DEM-**
 20 **ONSTRATION PROGRAM.**

21 Section 811, as amended by the preceding provisions
 22 of this Act, is further amended—

23 (1) by redesignating subsections (k) through
 24 (n) as subsections (l) through (o), respectively; and

1 (2) by inserting after subsection (j) the fol-
2 lowing new subsection:

3 “(k) PROJECT RENTAL ASSISTANCE-ONLY COMPETI-
4 TIVE DEMONSTRATION PROGRAM.—

5 “(1) AUTHORITY.—The Secretary shall carry
6 out a demonstration program under this subsection
7 to expand the supply of supportive housing for non-
8 elderly adults with disabilities, under which the Sec-
9 retary shall make funds available for project rental
10 assistance pursuant to paragraph (2) for eligible
11 projects under paragraph (3). The Secretary shall
12 provide for State housing finance agencies and other
13 appropriate entities to apply to the Secretary for
14 such project rental assistance funds, which shall be
15 made available by such agencies and entities for
16 dwelling units in eligible projects based upon criteria
17 established by the Secretary for the demonstration
18 program under this subsection. The Secretary may
19 not require any State housing finance agency or
20 other entity applying for project rental assistance
21 funds under the demonstration program to identify
22 in such application the eligible projects for which
23 such funds will be used, and shall allow such agen-
24 cies and applicants to subsequently identify such eli-

1 gible projects pursuant to the making of commit-
2 ments described in paragraph (3)(B).

3 “(2) PROJECT RENTAL ASSISTANCE.—

4 “(A) CONTRACT TERMS.—Project rental
5 assistance under the demonstration program
6 under this subsection shall be provided—

7 “(i) in accordance with subsection
8 (d)(2);

9 “(ii) under a contract having an ini-
10 tial term of not less than 180 months that
11 provides funding for a term 60 months,
12 which funding shall be renewed upon expi-
13 ration, subject to the availability of suffi-
14 cient amounts in appropriation Acts.

15 “(B) LIMITATION ON UNITS ASSISTED.—

16 Of the total number of dwelling units in any
17 multifamily housing project containing any unit
18 for which project rental assistance under the
19 demonstration program under this subsection is
20 provided, the aggregate number that are pro-
21 vided such project rental assistance, that are
22 used for supportive housing for persons with
23 disabilities, or to which any occupancy pref-
24 erence for persons with disabilities applies, may
25 not exceed 25 percent of such total.

1 “(C) PROHIBITION OF CAPITAL AD-
 2 VANCES.—The Secretary may not provide a
 3 capital advance under subsection (d)(1) for any
 4 project for which assistance is provided under
 5 the demonstration program.

6 “(D) ELIGIBLE POPULATION.—Project
 7 rental assistance under the demonstration pro-
 8 gram under this subsection may be provided
 9 only for dwelling units for extremely low-income
 10 persons with disabilities and extremely low-in-
 11 come households that include at least one per-
 12 son with a disability.

13 “(3) ELIGIBLE PROJECTS.—An eligible project
 14 under this paragraph is a new or existing multi-
 15 family housing project for which—

16 “(A) the development costs are paid with
 17 resources from other public or private sources;
 18 and

19 “(B) a commitment has been made—

20 “(i) by the applicable State agency re-
 21 sponsible for allocation of low-income hous-
 22 ing tax credits under section 42 of the In-
 23 ternal Revenue Code of 1986, for an allo-
 24 cation of such credits;

1 “(ii) by the applicable participating
 2 jurisdiction that receives assistance under
 3 the HOME Investment Partnership Act,
 4 for assistance from such jurisdiction; or

5 “(iii) by any Federal agency or any
 6 State or local government, for funding for
 7 the project from funds from any other
 8 sources.

9 “(4) STATE AGENCY INVOLVEMENT.—Assist-
 10 ance under the demonstration may be provided only
 11 for projects for which the applicable State agency re-
 12 sponsible for health and human services programs,
 13 and the applicable State agency designated to ad-
 14 minister or supervise the administration of the State
 15 plan for medical assistance under title XIX of the
 16 Social Security Act, have entered into such agree-
 17 ments as the Secretary considers appropriate—

18 “(A) to identify the target populations to
 19 be served by the project;

20 “(B) to set forth methods for outreach and
 21 referral; and

22 “(C) to make available appropriate services
 23 for tenants of the project.

24 “(5) USE REQUIREMENTS.—In the case of any
 25 project for which project rental assistance is pro-

1 vided under the demonstration program under this
2 subsection, the dwelling units assisted pursuant to
3 paragraph (2) shall be operated for not less than 30
4 years as supportive housing for persons with disabili-
5 ties, in accordance with the application for the
6 project approved by the Secretary, and such dwelling
7 units shall, during such period, be made available for
8 occupancy only by persons and households described
9 in paragraph (2)(D).

10 “(6) REPORT.—Upon the expiration of the 5-
11 year period beginning on the date of the enactment
12 of the Frank Melville Supportive Housing Invest-
13 ment Act of 2009, the Secretary shall submit to the
14 Congress a report describing the demonstration pro-
15 gram under this subsection, analyzing the effective-
16 ness of the program, including the effectiveness of
17 the program compared to the program for capital
18 advances in accordance with subsection (d)(1) (as in
19 effect pursuant to the amendments made by such
20 Act), and making recommendations regarding future
21 models for assistance under this section based upon
22 the experiences under the program.”.

23 **SEC. 5. TECHNICAL CORRECTIONS.**

24 Section 811 is amended—

25 (1) in subsection (a)—

1 (A) in paragraph (1), by striking “and” at
 2 the end;

3 (B) in paragraph (2)—

4 (i) by striking “provides” and insert-
 5 ing “makes available”; and

6 (ii) by striking the period at the end
 7 and inserting “; and”; and

8 (C) by adding at the end the following new
 9 paragraph:

10 “(3) promotes and facilitates community inte-
 11 gration for people with significant and long-term dis-
 12 abilities.”;

13 (2) in subsection (c)—

14 (A) in paragraph (1), by striking “special”
 15 and inserting “housing and community-based
 16 services”; and

17 (B) in paragraph (2)—

18 (i) by striking subparagraph (A) and
 19 inserting the following:

20 “(A) make available voluntary supportive
 21 services that address the individual needs of
 22 persons with disabilities occupying such hous-
 23 ing;”; and

24 (ii) in subparagraph (B), by striking
 25 the comma and inserting a semicolon;

1 (3) in subsection (d)(1), by striking “provided
 2 under” and all that follows through “shall bear” and
 3 inserting “provided pursuant to subsection (b)(1)
 4 shall bear”;

5 (4) in subsection (f)—

6 (A) in paragraph (3)—

7 (i) in subparagraph (B), by striking
 8 “receive” and inserting “be offered”;

9 (ii) by striking subparagraph (C) and
 10 inserting the following:

11 “(C) evidence of the applicant’s experience
 12 in—

13 “(i) providing such supportive serv-
 14 ices; or

15 “(ii) creating and managing struc-
 16 tured partnerships with service providers
 17 for the delivery of appropriate community-
 18 based services;”;

19 (iii) in subparagraph (D), by striking
 20 “such persons” and all that follows
 21 through “provision of such services” and
 22 inserting “tenants”; and

23 (iv) in subparagraph (E), by inserting
 24 “other Federal, and” before “State”; and

1 (B) in paragraph (4), by striking “special”
 2 and inserting “housing and community-based
 3 services”;

4 (5) in subsection (g), in paragraph (1) (as so
 5 redesignated by section 3(c)(1) of this Act)—

6 (A) in subparagraph (D) (as so redesign-
 7 nated by section 3(c)(2) of this Act), by strik-
 8 ing “the necessary supportive services will be
 9 provided” and inserting “appropriate supportive
 10 services will be made available”; and

11 (B) by striking subparagraph (E) (as so
 12 redesignated by section 3(c)(2) of this Act) and
 13 inserting the following:

14 “(E) the extent to which the location and
 15 design of the proposed project will facilitate the
 16 provision of community-based supportive serv-
 17 ices and address other basic needs of persons
 18 with disabilities, including access to appropriate
 19 and accessible transportation, access to commu-
 20 nity services agencies, public facilities, and
 21 shopping;”;

22 (6) in subsection (j)—

23 (A) by striking paragraph (4); and

1 (B) by redesignating paragraphs (5), (6),
2 and (7) as paragraphs (4), (5), and (6), respec-
3 tively;

4 (7) in subsection (l) (as so redesignated by sec-
5 tion 4(1) of this Act)—

6 (A) in paragraph (1), by inserting before
7 the period at the end of the first sentence the
8 following: “, which provides a separate bedroom
9 for each tenant of the residence”;

10 (B) by striking paragraph (2) and insert-
11 ing the following:

12 “(2)(A) The term ‘person with disabilities’
13 means a person who is 18 years of age or older and
14 less than 62 years of age, who—

15 “(i) has a disability as defined in section
16 223 of the Social Security Act,

17 “(ii) is determined, pursuant to regulations
18 issued by the Secretary, to have a physical,
19 mental, or emotional impairment which—

20 “(I) is expected to be of long-contin-
21 ued and indefinite duration;

22 “(II) substantially impedes his or her
23 ability to live independently; and

1 “(III) is of such a nature that such
2 ability could be improved by more suitable
3 housing conditions; or

4 “(iii) has a developmental disability as de-
5 fined in section 102 of the Developmental Dis-
6 abilities Assistance and Bill of Rights Act of
7 2000.

8 “(B) Such term shall not exclude persons who
9 have the disease of acquired immunodeficiency syn-
10 drome or any conditions arising from the etiologic
11 agent for acquired immunodeficiency syndrome. Not-
12 withstanding any other provision of law, no indi-
13 vidual shall be considered a person with disabilities,
14 for purposes of eligibility for low-income housing
15 under this title, solely on the basis of any drug or
16 alcohol dependence. The Secretary shall consult with
17 other appropriate Federal agencies to implement the
18 preceding sentence.

19 “(C) The Secretary shall prescribe such regula-
20 tions as may be necessary to prevent abuses in de-
21 termining, under the definitions contained in this
22 paragraph, the eligibility of families and persons for
23 admission to and occupancy of housing assisted
24 under this section. Notwithstanding the preceding
25 provisions of this paragraph, the term ‘person with

1 disabilities’ includes two or more persons with dis-
 2 abilities living together, one or more such persons
 3 living with another person who is determined (under
 4 regulations prescribed by the Secretary) to be impor-
 5 tant to their care or well-being, and the surviving
 6 member or members of any household described in
 7 subparagraph (A) who were living, in a unit assisted
 8 under this section, with the deceased member of the
 9 household at the time of his or her death.”;

10 (C) by striking paragraph (3) and insert-
 11 ing the following new paragraph:

12 “(3) The term ‘supportive housing for persons
 13 with disabilities’ means dwelling units that—

14 “(A) are designed to meet the permanent
 15 housing needs of very low-income persons with
 16 disabilities; and

17 “(B) are located in housing that make
 18 available supportive services that address the
 19 individual health, mental health, or other needs
 20 of such persons.”;

21 (D) in paragraph (5), by striking “a
 22 project for”; and

23 (E) in paragraph (6)—

24 (i) by inserting after and below sub-
 25 paragraph (D) the matter to be inserted by

1 the amendment made by section 841 of the
 2 American Homeownership and Economic
 3 Opportunity Act of 2000 (Public Law
 4 106–569; 114 Stat. 3022); and

5 (ii) in the matter inserted by the
 6 amendment made by subparagraph (A) of
 7 this paragraph, by striking “wholly owned
 8 and”; and

9 (8) in subsection (m) (as so redesignated by
 10 section 4(1) of this Act)—

11 (A) in paragraph (2), by striking “sub-
 12 section (c)(1)” and inserting “subsection
 13 (d)(1)”; and

14 (B) in paragraph (3), by striking “sub-
 15 section (c)(2)” and inserting “subsection
 16 (d)(2)”.

17 **SEC. 6. AUTHORIZATION OF APPROPRIATIONS.**

18 Subsection (n) of section 811 (as so redesignated by
 19 section 4(1) of this Act) is amended to read as follows:

20 “(n) **AUTHORIZATION OF APPROPRIATIONS.**—There
 21 is authorized to be appropriated for each of fiscal years
 22 2009 through 2012 the following amounts:

23 “(1) **CAPITAL ADVANCE/PRAC PROGRAM.**—For
 24 providing assistance pursuant to subsection (b), such
 25 sums as may be necessary.

1 “(2) DEMONSTRATION PROGRAM.—For car-
2 rying out the demonstration program under sub-
3 section (k), such sums as may be necessary to pro-
4 vide 2,500 incremental dwelling units under such
5 program in fiscal year 2009 and 5,000 incremental
6 dwelling units under such program in each of fiscal
7 years 2010, 2011, and 2012.”.

8 **SEC. 7. NEW REGULATIONS AND PROGRAM GUIDANCE.**

9 Not later than the expiration of the 180-day period
10 beginning on the date of the enactment of this Act, the
11 Secretary of Housing and Urban Development shall issue
12 new regulations and guidance for the program under sec-
13 tion 811 of the Cranston-Gonzalez National Affordable
14 Housing Act for supportive housing for persons with dis-
15 abilities to carry out such program in accordance with the
16 amendments made by this Act.

17 **SEC. 8. GAO STUDY.**

18 The Comptroller General of the United States shall
19 conduct a study of the supportive housing for persons with
20 disabilities program under section 811 of the Cranston-
21 Gonzalez National Affordable Housing Act (42 U.S.C.
22 8013) to determine the adequacy and effectiveness of such
23 program in assisting households of persons with disabil-
24 ities. Such study shall determine—

1 (1) the total number of households assisted
2 under such program;

3 (2) the extent to which households assisted
4 under other programs of the Department of Housing
5 and Urban Development that provide rental assist-
6 ance or rental housing would be eligible to receive
7 assistance under such section 811 program; and

8 (3) the extent to which households described in
9 paragraph (2) who are eligible for, but not receiving,
10 assistance under such section 811 program are re-
11 ceiving supportive services from, or assisted by, the
12 Department of Housing and Urban Development
13 other than through the section 811 program (includ-
14 ing under the Resident Opportunity and Self-Suffi-
15 ciency program) or from other sources.

16 Upon the completion of the study required under this sec-
17 tion, the Comptroller General shall submit a report to the
18 Congress setting forth the findings and conclusions of the
19 study.

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