

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 2654

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

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## IN THE HOUSE OF REPRESENTATIVES

MAY 26, 2005

Mr. ANDREWS introduced the following bill; which was referred to the  
Committee on Financial Services

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## 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 paragraph (3) of subsection (b).

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 section; 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

1           on the day before the date of enactment of this  
2           Act, the contract rent levels in effect imme-  
3           diately prior to such first renewal after the date  
4           of enactment of this Act shall be considered to  
5           be the deemed rent levels described in para-  
6           graph (3)(C).

7           (2) RENT ADJUSTMENTS AFTER INITIAL RE-  
8           NEWAL AFTER ENACTMENT.—After the first renewal  
9           of a contract for assistance of a covered project after  
10          the date of enactment of this Act in accordance with  
11          paragraph (1) of this subsection, the Secretary shall  
12          adjust rents in accordance with section 524(e).

13          (3) DEFINITIONS.—In this subsection—

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

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

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

3           (C) the term “deemed rent levels” means  
4           the contract rent levels in effect immediately  
5           prior to the first renewal of assistance pursuant  
6           to subsection (b)(3) of section 524, as in effect  
7           on the day before the date of enactment of this  
8           Act, upon which contract rent levels were re-  
9           duced, as adjusted by the applicable operating  
10          cost adjustment factor established by the Sec-  
11          retary at the date of such renewal and at the  
12          date of any subsequent renewal pursuant to  
13          subsection (b)(3) of section 524 occurring be-  
14          fore the date of enactment of this Act; and

15          (D) the term “Secretary” means the Sec-  
16          retary of Housing and Urban Development.

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